

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 05 MAR 2026

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Thursday

OF

TABLED
BY:

Hon. Owen Baya, MP
Deputy Leader of Majority Party

CLERK-AT

A. Shibusko

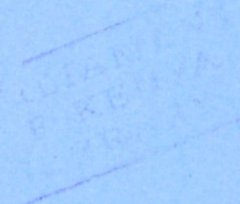
THE AUDITOR-GENERAL

ON

**CHERANGANY TECHNICAL AND
VOCATIONAL COLLEGE**

FOR THE YEAR ENDED

30 JUNE, 2025





CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE 2025

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

03 DEC 2022

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Cherangany Technical and Vocational College's financial resources.

Comparative Year- Means the prior period.

2. Key Cherangany Technical and Vocational College Information and Management

(a) Background information

Cherang'any Technical and Vocational College was registered on 22/10/2021 under the Technical and Vocational Education and Training Act, 2013 (Registration. No. TVETA/PUBLIC/TVC/0060/2021). It was mentored by Ziwa Technical Training Institute (ZTTI). Construction commenced in 2015 and the institution was handed over in 2020. It is located at Kiptenden area, off Kachibora - Ziwa Road, about 40 kilometers South East of Kitale town. It can also be accessed from Moisi Bridge Township, as it is located about 20 kilometers East of the township. Twenty-four courses are currently offered under six teaching departments: Agriculture and Environmental Studies, Business Studies, Building Technology, Electrical and Electronics Engineering, Fashion Design and Cosmetology and Information Communication Technology (ICT).

(b) Principal Activities

The institution offers technical and vocational education and training and strives to enhance acquisition of practical skills through the Competency Based Education and Training (CBET) approach.

Mission:

To be a leading technical and vocational institution, globally recognized for education, Research, Innovation and Community Development

Vision:

To provide high quality technical and vocational education and training that equips trainees with skills, knowledge, attitudes and values necessary to succeed in the workforce and to contribute to the socio-economic development of the region, the nation and beyond

Core Values

- Integrity
- Teamwork
- Professionalism
- Innovativeness
- Creativity

(c) Key Management

Cherang'any TVC is governed by a Board of Governors (BOG) which was appointed by the Cabinet Secretary for Education.

The Principal is the Chief Accounting Officer and Secretary to the Board. He oversees the day- to day running of the college. To achieve this, the Principal is assisted by the Management team, consisting of the Deputy Principal, the Registrar, the Dean of Students, the Finance Officer, and Procurement officer. The Academic Board, consisting of Academic Heads of Department assist in running the departments.

(d) Fiduciary Management

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The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	Mr. Norbert Wafula
2.	Deputy principal Administration	Mrs. Mary Mueni
3	Deputy principal Academics	Mr. Patrick Mwaro
4	Registrar (s)	Mr. Hymphrey Kipngetich
5	Dean of students	Mr. Paul Cheruiyot
6	Head of Finance	Mr. David Kibos
7	Head of Procurement	Mr. Cornelius Kapora

**Key Cherangany Technical and Vocational College Information and Management
(Continued)**

(e) Fiduciary Oversight Arrangements

Cherang'any Technical and Vocational College is over sighted by Board Committees which derives its powers and roles from the full Board of Governors. The committee which were in place during the financial year 2022/2023 are as follows: -

i. Finance Administration and Infrastructure Committee

- Jonathan Kogo
- Omenda Lawrence
- Martha Wekesa

ii. Education, Research and Training/Human Resource Committee

- Joan Tanui
- Martha Wekesa
- Lawrence Omenda

iii. Audit and Risk Committee

- Anne Wanjiku
- Suguma Methusella
- Sophia Kanneje

(f) Cherang'any Technical And Vocational College Headquarters

P.O. Box 335-30200
OFF KACHIBORA- ZIWA RD
KITALE, KENYA

(g) Cherang'any Technical And Vocational College Contacts

Telephone: (254)743 836414/ 0762 836414
E-mail: cheranganytvc@gmail.com
Website: www.cheranganytvc.ac.ke

(h) Cherang'any Technical And Vocational College Bankers

Cooperative Bank of Kenya
Kitale Branch
Account Number: 01139841437500

(i) Independent Auditors

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

**Key Cherangany Technical and Vocational College Information and Management
(Continued)**




(j) Principal Legal Adviser

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
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The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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3.The Council/Board of Governors

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 SAMUEL KIMUTAI TANUI BOG CHAIR PERSON	<p>Born on 1st/August/1965 in Lelan Location, Marakwet Kenya.</p> <p>He holds a Masters of Arts (M.A) and a Bachelor of Education (History/Geography) degrees from Moi University.</p> <p>He has taught at university level in and Educational Management, and is currently a PhD student.</p> <p>He is also a part time Lecturer at the University of Eldoret.</p>
2.	 JOAN TANUI BOG MEMBER	<p>Born on 21st May 1985, Joan Tanui holds a Bachelors Degree in Manufacturing Engineering and Technology from Egerton University.</p> <p>She currently works as a Quality Control officer at Rift Valley Textile(RIVATEX) East Africa Ltd.</p>
3.	 ANNE WANJIKU MWANGI BOG MEMBER	<p>Born 2nd February 1976 Anne Wanjiku Mwangi holds a Bachelor of Laws (LLB) degree from Moi University. She is an experienced Legal Practitioner in Private practice practicing under the names and style of Anne Kibe & Co Advocates, and an Associate with B.N & Co. Advocates based in Kitale.</p>





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<p>4.</p>	 <p>ENG. OMENDA LAWRENCE MAKOKHA BOG MEMBER</p>	<p>Born 20th/September/1948 Eng. Omenda holds a Bachelor of Science degree (Vocational Education Building and Civil Engineering Option) from the University of New Brunswik Canada (1983). Has vast experience in Civil engineering in both public and private sectors. He is currently retired but engaged in private consultancies and community work.</p>
<p>5.</p>	 <p>SOPHIA KANNENJE BOG MEMBER</p>	<p>Born on 11th/May/1976 Sophie Kannenje holds a BSc degree in Business Information Technology from Mount Kenya University. She is also pursuing a masters degree in Information technology. She is Currently the branch Manager Madison Insurance Ltd and APA Insurance Ltd. And also an Administrator IT support staff and computer Tutor at Jesuit Refugee Services.</p>
<p>6.</p>	 <p>METHUSELLA OGECHÉ SUGUMA BOG MEMBER</p>	<p>Born on 28/12/1958, He holds a Masters degree in supply chain management from Kisii University. Full member of the Chatered Institute of Purchasing and Supply Chain Management (MCIPS). Has experience as part time lecturer purchasing and supply chain management Kisii University.</p>




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<p>7.</p>	 <p>JONATHAN CHERUIYOT KOGO BOG MEMBER</p>	<p>Date of Birth: 1984 Qualification: Bachelor in Business Administration-Finance option from Moi University. He is a manager and researcher at SCINNOVENT CENTRE, a Non-Governmental Organisation with a presence in Sub-Sahara Africa</p>
<p>8.</p>	<p>ENG.MICHAEL RUGUT REGIONAL DIRECTOR OF TVET</p>	<p>He represents the Principal Secretary for State Department for TVET in the board.</p>
<p>9.</p>	 <p>NORBERT W. WAFULA B.O.G. SECRETARY/PRINCIPAL</p>	<p>Born in 1970 Qualification: Master of science (Analytical Chemistry). Experience as an administrator for over 24 years.</p>

4. Key Management Team

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <i>Norbert W. Wafula</i> <i>Master of science in analytical chemistry</i>	Principal
2.	 <i>Mary Mueni Kivuva</i> <i>BSc Mathematics and Economics</i>	Deputy Principal Administration
3.	 <i>Patrick N. Mwaro</i> <i>BSc Computer Science</i>	Deputy Principal Academic
4.	 <i>Humphrey Kipnetich</i> <i>Bachelor of Technology Education</i>	Registrar
5.		

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	 <p><i>Paul Kibet</i> <i>BSc Informaton Technology</i></p>	Dean of students
6.	 <p><i>David Kibos</i> <i>Diploma in Accountancy, CPA</i></p>	Finance Officer
7.	 <p><i>Cornelius Kapora</i> <i>BSc Supply Chain Management</i></p>	Procurement officer

5. Chairman's Statement

I take this opportunity to present a brief summary of the key activities, achievements, challenges, and the way forward for Cherangany Technical and Vocational College as we continue our mission of delivering quality technical and vocational training to our youth.

As of 27th May 2025, the college had an enrollment of 746 students, out of which 725 were successfully registered into the TVET Management Information System (TVET MIS), reflecting our commitment to compliance and effective student management. This positive trend demonstrates the growing confidence of the community in the institution's ability to deliver relevant and market-driven training.

In alignment with the Ministry of Education's directive, the institution transitioned from the old CBET curriculum to the new modularized CBET curriculum effective 1st May 2025. This shift marks a significant milestone in the modernization of our training approach and ensures that our programs remain responsive to industry demands and national goals.

Notably, the college has been accredited as an Assessment Centre for Recognition of Prior Learning (RPL), a major achievement that will allow us to recognize and certify skills acquired informally by individuals in the community. An implementation committee has already undergone training, and we are confident this initiative will widen access to certification and skills recognition.

In support of our commitment to excellence in assessment, the institution has procured a 7Kva Honda petrol standby generator at a cost of KSh. 156,500, funded through the disbursement of last year's scholarship arrears. This generator will serve as a critical backup during CDACC assessments, ensuring that exam materials are printed within the required timeframe and without interruption.

With regard to academic performance, the KNEC examination results for July 2024 recorded an overall pass rate of 58%. We are especially proud of the 100% pass rate in Agriculture and Environmental Studies, as well as commendable performances in Fashion Design and Cosmetology (73%), Building and Civil Engineering (67%), and Computer and Informatics (50%). However, we acknowledge the 0% pass rate in Business Studies, which remains an area of concern. Targeted interventions including curriculum support and additional instructional resources are being planned to address this challenge.

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Despite our progress, the institution continues to face a few challenges, particularly in areas of infrastructure, staffing, and learning materials. However, with continued support from the government, partners, and stakeholders, we remain optimistic. Moving forward, our focus will be on strengthening implementation of the new modular curriculum, expanding industry linkages, enhancing staff capacity, and improving student outcomes across all departments.

On behalf of the Board of Governors, I commend the management, staff, and students for their resilience and dedication. Together, we will continue building Cherangany TVC into a center of excellence for technical training in the region.



Chairman

Board of Governors

Cherangany Technical and Vocational College

6. Report of the Chief/Senior Principal

As we continue to steer Cherangany Technical and Vocational College towards academic excellence and institutional growth, I am pleased to highlight some of the key activities, achievements, ongoing challenges, and the way forward for our institution during this reporting period.

As of 27th May 2025, the institution recorded a total enrollment of seven hundred and forty-six (746) trainees. Out of these, seven hundred and twenty-five (725) were successfully captured in the TVET Management Information System (TVET MIS), signifying a commendable effort in aligning with government requirements for data management and transparency. The enrollment figures reflect growing confidence in the institution and our expanding capacity to serve the community through quality TVET education.

In line with the Ministry of Education's directive, Cherangany TVC has transitioned from the old Competency-Based Education and Training (CBET) curriculum to the newly modularized CBET curriculum, effective 1st May 2025. This strategic shift marks a major milestone in enhancing the relevance and adaptability of our training programs to meet modern industry demands. The institution is currently engaged in sensitizing trainers and reviewing training materials to ensure smooth implementation and compliance with the new curriculum standards.

Another key development has been the accreditation of the college as an Assessment Centre for Recognition of Prior Learning (RPL). This significant achievement opens up new opportunities for skilled individuals in the informal sector to gain formal recognition of their competencies. To support this initiative, the college has constituted and trained an RPL implementation committee which is now fully operational and ready to begin assessments, further cementing our role as a community-centered institution.

In terms of infrastructural support, the college successfully acquired a 7Kva Honda petrol stand-by generator to mitigate power interruptions, especially during the administration of CDACC assessments. These assessments must be printed 30 minutes before commencement, and the generator ensures reliability and compliance with this requirement. The generator, procured at a cost of KSH. 156,500, was made possible through the disbursement of arrears from last year's scholarship funds, reflecting prudent financial management and targeted investment in critical infrastructure.

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Academically, the institution received the results of the Kenya National Examinations Council (KNEC) exams conducted in July 2024. The overall pass rate stood at 58%, with notable performances in Agriculture and Environmental Studies (100%), Fashion Design and Cosmetology (73%), Building and Civil Engineering (67%), and Computer and Informatics (50%). However, Business Studies registered a 0% pass rate, an outcome that is being closely examined to identify the underlying challenges, ranging from curriculum delivery to learner support mechanisms. Intervention strategies are being developed, including targeted academic support, curriculum review, and closer mentorship to ensure improved outcomes in subsequent exam sittings.

Despite these achievements, the institution continues to face challenges, particularly in resource limitations for the full rollout of the modularized CBET curriculum, inadequate infrastructure in some departments, and low performance in specific courses. However, we remain committed to addressing these issues through continuous engagement with stakeholders, increased advocacy for funding, capacity building for trainers, and strategic partnerships.

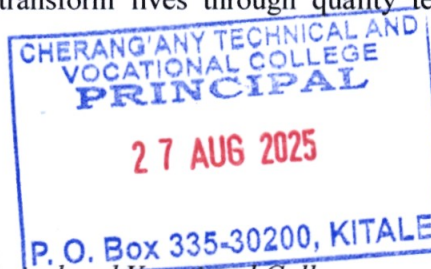
Moving forward, the college aims to enhance the quality of training through full implementation of the new CBET curriculum, improve examination outcomes across all departments, especially Business Studies, and strengthen its role as a centre for community empowerment through RPL. We also plan to scale up enrollment through aggressive outreach programs and improve our infrastructure to meet the growing needs of our trainees.

In conclusion, I express my sincere gratitude to the Ministry of Education, our Board of Governors, trainers, non-teaching staff, parents, and stakeholders for their continued support. Together, we shall continue to transform lives through quality technical and vocational education and training.

Thank you.

Norbert Wanyama Wafula

Chief Principal, Cherangany Technical and Vocational College



7. Statement of Performance against Predetermined Objectives

Cherangany Technical and Vocational College has five (5) strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2024- FY 2025. These strategic pillars are as follows:

- a) Quality Education and Training
- b) Industry Partnerships
- c) Innovation and Technology Integration
- d) Access and Equity
- e) Governance and Leadership

Cherangany Technical and Vocational College develops its annual work plans based on the above five (5) pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Cherangany Technical and Vocational College achieved its performance targets set for the FY 2024/2025 period for its five (5) strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
1. Quality Education and Training	To introduce CBET Programme To improve Examination Pass rate To integrate ICT in training	CBET Programme introduced. Examination pass rate improved. ICT integrated into training	Market CBET programmes Conduct examination revision Use ICT in training e.g. projectors and digital content	-Marketing of CBET programmes conducted successfully. -Revision of examination was done with trainees. -Laptop and projectors were used.
2. Innovation and Technology Integration	To participate in TVET fair	Participated in TVET fairs	Active participation in TVET fair organized by KATTI	-The College is in the progress of participating. -Trainees have already prepared TVET fair presentation.

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3. Access and Equity	To provide comprehensive academic, financial and social support services to all trainees	Comprehensive academic support provided A standard fee structure for all trainees	Design comprehensive academic support to trainee needs Develop a standard fees structure	-Standard fees structure has been developed. -Through marketing enrolment increased.
4. Governance and Leadership	To adhere to relevant standards, policies and acts applicable to the institution.	Adherence to the applicable standards, policies and acts applicable to the institution	Developing policies and adhering to the available standards and acts where applicable	-Various policies has been drafted and await board approval.

8. Corporate Governance Statement

Board members are appointed by the Cabinet Secretary, Ministry of Education, in accordance with the TVET Act, 2013. Nominations are drawn from key stakeholder groups, including industry, local community, alumni, county government, and professional bodies. A vetting process is conducted by the TVET Authority to assess qualifications, experience, and integrity.

Cherangany Technical and Vocational College is governed by a Board of Governors (BOG). The current BOG was appointed by the Cabinet Secretary for Education in February 2024, and inaugurated on 7th March 2024.

The process of appointment began with the nomination panel meeting held on 4th August, 2023. Members present included Mr. Isaac Keter, Deputy County Commissioner, representing the County Commissioner, Ms. Jackline Kasili, representing the Area member of Parliament (MP) Mr. Patrick Simiyu, Eng, Michael Rugut, the County Director of TVET, and Mr. Norbert Wafula, the Principal and Board secretary.

The panel was guided by the Second Schedule of the TVET Act, 2013.

The roles of the Board are stipulated in Section 29 of the Act. Directions are also given from time to time by various agencies, including the Cabinet Secretary, The Principal Secretary for TVET, Salaries and Remunerations Commission (SRC) among others.

Some of the functions as spelled out in the Act include

i. Roles and functions of the board

- Providing strategic direction and oversight.
- Approving institutional policies, budgets, and strategic plans.
- Ensuring financial accountability and resource utilization.
- Promoting quality training and compliance with curriculum and accreditation standards.
- Appointing and evaluating the performance of the Principal.
- Ensuring institutional integrity, risk management, and compliance with statutory obligations.
- Overseeing the conduct of education and training in the institution,
- Promoting and maintaining standards administering and managing the property of the institution
- Preparing annual estimates of revenue and expenditure
- Approving collaboration or association with other institutions and industries in and outside Kenya

- Making regulations governing organization, conduct and discipline of staff and students.

ii. Induction, training, and development

New members undergo **mandatory induction** on governance, policy, and institutional affairs. Induction for the current Board was approved by the Principal Secretary in June 2024 and the induction was done between 16th -18th October 2024.

- Annual capacity-building workshops on:
 - Governance and public finance
 - TVET reforms (e.g. CBET, RPL)
 - Risk and audit oversight
- Participation in peer learning and benchmarking is encouraged

iii. Legal and Regulatory Framework

BOG members must operate within the provisions of:

- TVET Act No. 29 of 2013
- Mwongozo Code of Governance for State Corporations
- Public Finance Management Act (2012)
- Leadership and Integrity Act (2012)
- Public Officer Ethics Act (2003)
- Ministry of Education circulars and guidelines

iv. Composition and Structure of the Board

- Maximum of 9 members, including the Chairperson.
- Represent key stakeholder groups: industry, local community, alumni, county government, and professionals.
- Appointment is by the Cabinet Secretary, Ministry of Education.
- Gender, age, regional, and professional diversity is encouraged.
- Board operates through standing committees (Finance and Audit, Education, Research and Human Resource and).

Common committees include:

- Finance and Audit Committee
- Human Resource and Administration Committee
- Academic and Quality Assurance Committee
- Governance and Ethics Committee

Each committee has clear **Terms of Reference (ToRs)** and reports to the full board.

v. Board and members performance

- **Annual performance evaluation** of:
 - Individual board members

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- Full board effectiveness
 - Board committees
 - Evaluation informs reappointments, training needs, and performance improvement
- vi. *Number of Board meetings held and the attendance to those meetings by members*
- Minimum of **four (4) ordinary meetings per year**
 - Quorum must be met for decisions to be binding
 - Decisions should be by **consensus or majority vote**, recorded in minutes
 - Members are expected to attend at least **75% of meetings**
- vii. *Succession plan*
- The board must ensure a **succession plan** exists for:
 - BoG members (term limits, replacements)
 - Senior management (e.g. Principal, Deans)
 - Appointments should be timely to avoid governance gaps
- viii. *Policy to manage conflict of interest.*
- Annual conflict of interest declarations are mandatory
 - Members must recuse themselves from any deliberations where a conflict exists
 - Breach of conflict rules may lead to removal from the board
 - During the meetings Conflict of Interests are declared by all members. During the 2024/2025 Financial year, there was no conflict of interest that was ever declared by members.
 - Attendance records are signed at every meeting. Members also fill the Visitors book.
- ix. *Board remuneration*
- Board members receive **honoraria and allowances** based on Ministry guidelines
 - No member should receive additional benefits outside approved rates
 - All remuneration must be disclosed transparently in institutional reports
 - In the FY 2024/2025, Board members were paid KSh 10,000 (twelve thousand only) as allowances, while the chairman was paid KSh 15,000 (fifteen thousand only). All members who attended physical Board Meeting also received five thousand shillings (KSh 5000) being transport reimbursement.
- x. *Ethics and Conduct*
- BoG members must:
- Declare and avoid **conflicts of interest**
 - Uphold **transparency, honesty, and accountability**
 - Avoid engaging in partisan politics or decisions that benefit self or affiliates
 - Sign and adhere to a **Code of Conduct and Ethics**

xi. Governance audit

- The board shall undertake a **governance audit** every **2 years**
- Assesses compliance with laws, governance practices, and Mwongozo principles
- Recommendations from the audit must be implemented with oversight from the Governance Committee

xii. Communication policy

- The board must promote **open and structured communication**
- External communication must go through the **Chairperson or Principal**
- Stakeholder engagement should be inclusive, participatory, and responsive to community and industry needs

xiii. Terms of Reference of Committees

- BoG members serve **3-year terms, renewable once** upon satisfactory performance and Ministry approval
- Appointments and renewals follow a structured and documented nomination process
- The number of Board meetings is predetermined by Mwongozo, the Code of Conduct for State Corporations. Efforts are made to hold four Full board meetings, one in each financial quarter. During the Financial Year 2024/2025, three Full BOG meetings were held. Another three Special BOG meetings were held, mainly to validate the recruitment of Public Service Commission (PSC) trainers.

xiv. Policy on related party transactions

- Any transaction involving a board member or affiliate must:
 - Be declared in advance
 - Be reviewed and approved by the full board or audit committee
 - Be transparently recorded

9. Management Discussion and Analysis

In this financial year, I am pleased to present a report on the key activities and strategic initiatives undertaken by Cherangany Technical and Vocational College this year. Our focus has been on enhancing quality training, improving infrastructure, introducing Competence Based Training Programmes, Procuring Training Equipment and Construction of structures for our trainees.

a. Introduction of CBET Academic Programmes

In response to industry needs and to improve employability, we have introduced Competency-Based Education and Training (CBET) programmes. These programs are designed to provide practical, hands-on experience alongside theoretical knowledge. We anticipate that this will not only enhance trainee's skills but also improve their job readiness.

b. Procurement of More Training Equipment

To align our training with industry standards, we have procured new equipment across various departments. This includes advanced machinery for our engineering courses and updated tools for our vocational training programs. The integration of modern technology into our curriculum is essential for preparing students for the demands of the workforce.

c. Improvement of College Infrastructure

We are excited to report several construction projects aimed at enhancing our college infrastructures:

- **Dairy Unit:** A state-of-the-art dairy unit is set to be constructed, which will provide practical training for students in agriculture. This initiative will not only serve educational purposes but also support local dairy farming efforts.
- **Tuition Shade:** To improve trainees comfort and engagement, we are constructing a tuition shade that will provide a shaded area for outdoor classes and group activities. This will enhance the learning environment, especially during warmer months.
- **Masonry Shade:** Similarly, a masonry shade will be built to support our construction programs. This space will allow students to work on practical masonry skills while being protected from the strong sunshine.

In the Financial Year 2024/2025, witnessed a rapid growth in student population ((Fig. 1).

Due aggressive marketing supported partially by the area Member of Parliament, the student population tripled.

Year	Population
2021/2022	66
2022/2023	138
2023/2024	353
2024/2025	758

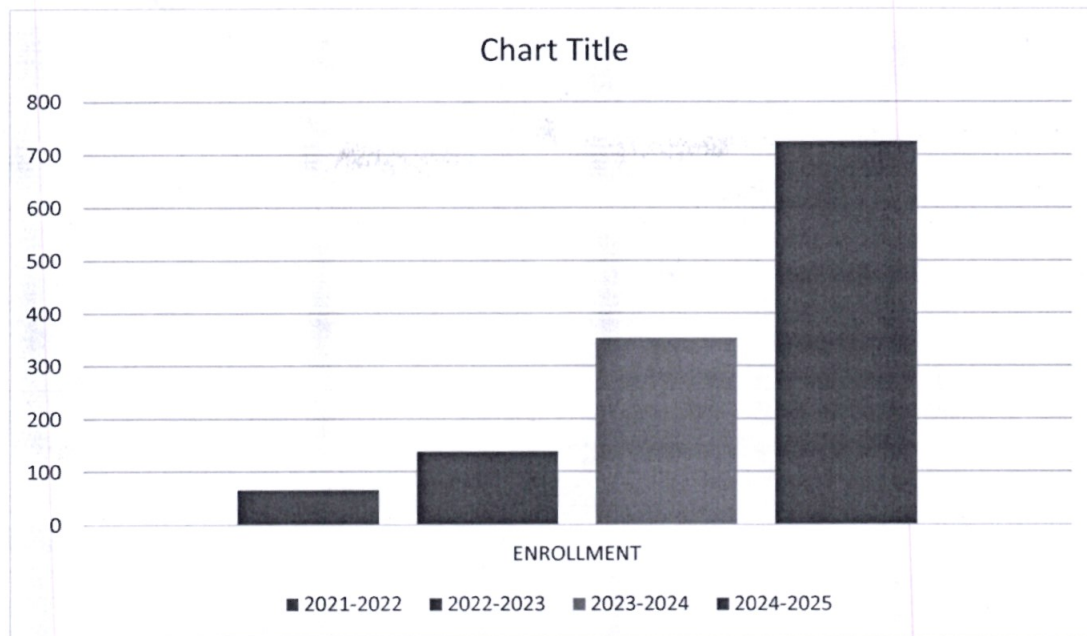


Fig. 1: Growth in student Population 2021-2025

The growth in student population brought with it new challenge:

- Need for additional furniture (lecture chairs, technical drawing tables)
- Need for additional trainers
- Need for training materials
- Unreliable source of water for the growing population.

To a large extent, the challenges are being addressed as the institution grows. However, the start of 2023/2024 was a particularly challenging period, occasioned by introduction of the New Funding Model, which wasn't well understood, as well as abrupt implementation of the Competency Based Education and Training (CBET) courses.

The institution obtained a Kenya Revenue Authority (KRA) PIN in 2022, enabling it register with the statutory bodies: National Social Security Fund, (NSSF) as well as the Social Health Authority (SHA). In spite of the challenges, the institution has not defaulted on payments of statutory deductions, and is upto date on remittances.

The major risks for this young institution are:

- Overreliance on government funding
- Changing government policies

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- Operations of TVET institutions are not well understood by the community members who feel that they need to have a bigger say on the running of the institution, employment opportunities, and tenders
- Competing political interests

In spite of these challenges, the future of the institution is promising

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

In today's interconnected world, global political and macroeconomic dynamics are exerting significant influence on institutional sustainability priorities. Issues such as climate change, resource scarcity, geopolitical instability, inflationary pressures, and post-pandemic economic recovery are reshaping national and institutional strategies towards sustainability and resilience. Governments, international organizations, and educational institutions are aligning policies with global sustainability frameworks such as the United Nations Sustainable Development Goals (SDGs), the Paris Agreement on Climate Change, and national development blueprints such as Kenya's Vision 2030 and the Climate Change Act, 2016.

Cherangany Technical and Vocational College (CTVC) play a pivotal role in translating these global goals into practical, grassroots actions that empower communities, build capacity, and protect the environment. In alignment with SDG 13: Climate Action, SDG 15: Life on Land, and SDG 4: Quality Education, CTVC has prioritized sustainability as a core institutional value through its Sustainability and Green Growth Policy Framework (2023–2027).

During the reporting period, Cherangany TVC, through a strategic partnership with the Kenya Forestry Research Institute (KEFRI) established an on-campus tree nursery as a climate resilience initiative. The nursery has grown and distributed over 10,000 indigenous and drought-resistant seedlings, which were planted within the institution and in surrounding community areas in collaboration with local stakeholders.

Out of these, 500 mature trees have already been planted within the college, significantly contributing to air purification, and biodiversity conservation. This initiative is part of CTVC's commitment to supporting Kenya's 15 Billion Trees Campaign (2023–2032) and demonstrates strong alignment with international environmental stewardship standards such as those promoted by the UN Decade on Ecosystem Restoration.

Cherangany TVC continues to embed sustainability principles in its Service Delivery Charter, which focuses on ethical governance, inclusion, accountability, and responsiveness in public service. Key highlights include:

- **Visitor Registration and Correspondence Handling:** All institutional correspondence is now managed through a digitized system, reducing paper use in line with green office practices.
- **Training and Examination Management:** Academic programs are being realigned with Competency-Based Education and Training (CBET) models that integrate sustainability awareness into curricula.
- **Industrial Attachment Coordination:** The institution ensures that industrial placements promote green skills development, especially in agriculture, renewable energy, construction, and IT sectors.
- **Inclusive Procurement and Economic Empowerment:**
 - 40% of all contracts are allocated to local suppliers, supporting community-based economic development.
 - 30% of contract value is reserved for Youth and Women, in line with Public Procurement and Asset Disposal Act (2015) and SDG 5: Gender Equality.
 - 2% of contracts are specifically awarded to Persons with Disabilities (PWDs), promoting inclusive economic participation (SDG 10: Reduced Inequalities).

These commitments reflect the institution's resolve to achieve sustainable institutional growth while remaining socially responsible and environmentally conscious.

Environmental performance

Environmental Conservation Initiatives

- **Tree Planting Campaign:** Target of planting **100,000 trees by 2030**. Tree nurseries already established.
- **Beautification:** Flowers and landscaping projects have improved green spaces and created environmental awareness.

Waste Management Infrastructure

- **Provision of Dustbins:** Waste bins are strategically placed across the campus to encourage proper disposal.
- **Dumping Sites Constructed:** Onsite disposal systems minimize littering and control waste.
- **Paper Recycling:** Reuse of paper for internal operations like printing drafts or making note pads.

Awareness and Policy Development

- **Environmental Policy Drafted:** Submitted to the Board of Governors, showing strategic intent.
- **Awareness Programs:** Sensitization of staff and students on environmental conservation practices.

Environmental Conservation

- **Slow Progress on Tree Target:** The goal of 100,000 trees by 2030 may be too ambitious without sufficient funding or partnerships.
- **Lack of Biodiversity Monitoring:** No clear system to track ecosystem health or species diversity.

Waste Management

- **Limited Recycling Infrastructure:** Recycling limited to paper; plastic, metals, and e-waste not yet addressed.
- **Unsegregated Waste:** Dustbins do not yet support waste segregation (organic, recyclable, hazardous).

Biodiversity Management Efforts

- **Tree Species Diversity:** Planting both indigenous and exotic species to improve ecological balance.
- **Conservation Areas:** Designating parts of the institution as "green zones" or "eco-parks" to protect native flora and fauna.
- **Integration into Curriculum:** Environmental education incorporated into training programs to instill values in students.

Waste Management: 4RS Approach

- Minimize printing, encourage digital communication.
- Promote reusable water bottles and cutlery in cafeterias.

Reuse

- Use old printed papers for drafts or packaging.
- Reuse containers and office materials where possible.

Recycle

- Expand recycling beyond paper to plastics, glass, and e-waste.
- Collaborate with county governments or recycling firms.

Disposal

- Ensure secure disposal of hazardous waste (e.g., lab waste, e-waste).
- Improve existing dumping sites to comply with NEMA regulations.

Efforts to Reduce Environmental Impact of Products

- **Paperless Offices:** Digital systems to reduce reliance on printed materials.
- **Plastic-Free Campaigns:** Phasing out bottled water and plastic packaging.
- **Biodegradable Packaging:** Encouraging vendors to use compostable or recyclable materials.
- **Transport Management:** Maintaining vehicles regularly to reduce carbon emissions and promoting carpooling or bicycle use.

Employee welfare

1. Hiring Policies and Inclusivity

a. Policy Framework

- The organization follows a structured recruitment and selection policy guided by principles of **fairness, transparency, meritocracy, and equal opportunity**.
- Hiring is based on **job competencies**, qualifications, and **performance in interviews or assessments**, with mechanisms in place to avoid nepotism, favoritism, or discrimination.

b. Gender and Inclusivity Considerations

- **Gender Balance:** The policy aims for a balanced gender ratio by encouraging qualified **women and men** to apply for all positions. Some roles may have gender-based targets, especially in leadership.
- **Youth Inclusion:** Graduate trainee programs, internships, and entry-level roles are designed to attract **young professionals**, helping to address youth unemployment.

- **PWD (Persons with Disabilities):** The recruitment process ensures that **PWDs are given equal opportunity** through:
 - Accessible interview venues
 - Provision of assistive technologies
 - Reserved positions where applicable, in line with constitutional or labor directives

c. Stakeholder Engagement in Recruitment

- Stakeholders such as **labor unions, HR advisory boards, diversity committees, and government regulatory bodies** are consulted in policy formation or recruitment for strategic positions.
- Regular engagement with **community representatives or marginalized groups** ensures that the hiring process remains inclusive and responsive.

d. Policy Review Frequency

- Recruitment policies are reviewed **bi-annually or annually** to:
 - Align with evolving labor laws
 - Incorporate emerging best practices
 - Address internal audit or stakeholder feedback

2. Skills Development and Career Management

a. Capacity Building Initiatives

- Regular **training needs assessments (TNA)** are conducted to identify skill gaps.
- Staff are offered:
 - **Technical training**, soft skills workshops
 - Leadership development programs
 - Support for **professional certifications** and e-learning platforms

b. Career Development Support

- Employees have **individual development plans (IDPs)**, tailored to their career aspirations and organizational goals.
- Internal job rotations and promotions encourage **career mobility and growth**.

3. Performance Appraisal and Reward Systems

a. Performance Management Framework

- Annual and mid-year **performance appraisals** are conducted using KPIs, behavioral competencies, and strategic targets.
- The appraisal system is **objective, documented**, and allows for self-evaluation and supervisor feedback.

b. Reward and Recognition

- High performers are rewarded through:
 - **Bonuses**, merit pay, and in-kind incentives

- Recognition programs such as **employee of the month**, public acknowledgment, and career advancement opportunities
- Underperformance is addressed through coaching and **Performance Improvement Plans (PIPs)**

4. Occupational Safety and Health (OSHA 2007) Compliance

a. Safety Policy

- The organization complies fully with the **Occupational Safety and Health Act (OSHA) 2007**.
- A formal **Occupational Safety and Health Policy** is in place covering:
 - Risk identification and control
 - Emergency preparedness
 - Health surveillance and safety training

b. Safety Committees

- There is a dedicated **Health and Safety Committee** that oversees workplace safety, conducts regular audits, and ensures corrective actions are taken promptly.

c. Training and Awareness

- Regular training sessions on **fire safety, first aid, ergonomics, and emergency response** are mandatory.
- Safety signage, PPE (personal protective equipment), and hazard reporting systems are widely available and enforced.

5. Work-Related Injuries: Review and Prevention

a. Injury Reporting

- All workplace accidents are logged in a centralized **incident register** and investigated thoroughly.
- Regular reports on injuries and near-misses are submitted to relevant labor and health authorities.

b. Trends and Analysis

- Over the past year, the organization reported a **decline in work-related injuries** due to proactive safety measures, such as:
 - Improved ergonomics
 - Enhanced staff training
 - Safety audits and implementation of risk mitigation measures

c. Insurance and Medical Cover

- All employees are covered by **Work Injury Benefits Act (WIBA)** insurance.
- Additional health coverage is provided through the **NHIF and/or private insurance providers**.

Market place practices-

The organisation should outline its efforts to:
Responsible competition practice.

Cherangany Technical and Vocational College is committed to promoting transparent, fair, and accountable procurement practices that support responsible competition and efficient service delivery. The institution adheres to the provisions of the Public Procurement and Asset Disposal Act (2015) and aligns its procurement procedures with national and institutional integrity frameworks.

CTVC utilizes multiple procurement methods to enhance fair competition and ensure value for money. These include:

Framework Contracts: The college uses pre-approved supplier framework contracts for frequently procured items and services. This approach ensures: Reduced procurement lead times, Competitive pricing through prior market analysis and Equal opportunity for qualified suppliers over the contract period

Request for Quotations (RFQ): For low-value procurements, CTVC applies the RFQ method, requesting quotations from at least three registered and eligible suppliers, ensuring: Competitive pricing, Efficient decision-making, Inclusivity of local suppliers, youth, women, and PWDs

Open Tendering: For procurements above the set threshold, the college conducts open tendering, publicly advertising tenders in compliance with the law. This ensures: Transparency and equal access, a level playing field for all eligible bidders and Promotion of innovation and quality through competition.

CTVC upholds high standards of integrity by addressing the following anti-Corruption Measures, all procurement activities are overseen by different committee members, with clear separation of duties to avoid collusion or favoritism.

To ensure operational excellence, the college has implemented the following best practices: Handling of Customer and Supplier Complaints, the college has a structured service delivery charter that includes a formal complaint resolution mechanism. Complaints from customers or suppliers are acknowledged immediately and resolved within 11 working days. A designated Complaints and Feedback Officer coordinates responses and corrective actions.

Timely Payment of Suppliers, the college ensures that all verified supplier payments are processed within 30 days of delivery or service completion, subject to invoice approval. This has built trust and reliability with suppliers, encouraging quality and timely delivery.

The institution strictly uses Electronic Funds Transfer (EFT) and Cheques as the only modes of payment, promoting: Accountability and traceability, elimination of cash-based corruption risks and faster payment reconciliation.

a) Product stewardship or Awareness Creation
Protection of Health and Safety

- **Product/Service Standards:** Ensures that all goods and services meet national and international safety standards before reaching consumers.
- **Regular Inspections:** Conducts or mandates periodic quality checks, audits, and compliance reviews (e.g. for food, pharmaceuticals, public infrastructure).
- **Risk Alerts and Recalls:** Issues timely alerts and recalls in case of dangerous or defective products/services.
- **Safety Information:** Provides guidance on the safe use of products/services (e.g. user manuals, warning labels, safety signage).

Providing Adequate Product or Service Information

- **Transparent Communication:** Consumers or citizens are provided with clear, complete, and up-to-date information about services (e.g. NHIF, NSSF, passport application procedures).
- **Multiple Access Channels:** Information is accessible via websites, service centers, mobile apps, or toll-free numbers, and is translated into local languages where needed.
- **Awareness Campaigns:** Regular outreach campaigns educate the public on their rights, responsibilities, and how to access services (e.g. how to apply for government IDs, health coverage, or report abuse).

Dispute Resolution and Redress Mechanisms

- **Customer Service Desks & Hotlines:** Established to receive and respond to complaints in a timely and fair manner.
- **Alternative Dispute Resolution (ADR):** Offers mediation or arbitration services to resolve issues without lengthy legal processes.
- **Appeals and Escalation Procedures:** Clear pathways are provided for escalating unresolved complaints.
- **Compensation Mechanisms:** Systems in place to offer refunds, replacements, or compensation when the organization is at fault.

Consumer and Citizen Data & Privacy Protection

- **Data Protection Policies:** Adopts and enforces strict data privacy policies aligned with data protection laws (e.g. consent-based data collection, limited sharing).
- **Secure Systems:** Uses encryption and cybersecurity measures to protect consumer data (e.g. medical records, ID numbers, biometric data).
- **Transparency:** Individuals are informed about how their data is used and stored, with rights to access, correct, or delete personal data.
- **Limited Use of Surveillance:** Avoids unauthorized monitoring, ensuring surveillance tools (if used) respect privacy and legal boundaries.

Protection of Citizens' Rights and Interests (for Public Entities)

- **Access to Basic Services:** Facilitates fair access to essential services such as electricity, clean water, healthcare, education, and civil registration (IDs, logbooks, passports).
- **Right to Representation:** Ensures legal aid or access to counsel is available when a citizen is arrested; promotes awareness of bail rights.
- **Right to Peaceful Assembly:** Respects and protects citizens' right to peaceful protest, with law enforcement trained in crowd management and rights protection.
- **Support for Whistleblowers:** Provides anonymous channels for reporting corruption or abuse and protects whistleblowers from retaliation.
- **Public Participation:** Engages citizens in decision-making through consultative forums, feedback surveys, and community outreach.

Monitoring and Accountability

- **Independent Oversight Bodies:** Institutions like ombudsmen, consumer protection agencies, or human rights commissions monitor compliance.
- **Reporting Mechanisms:** Regular publication of service performance reports, audits, and consumer complaint trends.
- **Feedback Loops:** Citizen feedback is used to improve service delivery and policy.

Corporate Social Responsibility / Community Engagements

Community Engagement

- **Skills Development:** Offering free or subsidized short courses to underprivileged youth or unemployed adults.
- **Outreach Programs:** Organizing technical workshops or career fairs in local schools to raise awareness about vocational training.
- **Partnerships:** Collaborating with local industries to provide apprenticeships and job placement.

Environmental Responsibility

- **Sustainable Campus Practices:** Reducing waste, saving energy, promoting recycling.
- **Green Technologies:** Teaching and adopting green or sustainable technologies in training programs (e.g., solar power, eco-friendly construction).

- **Tree Planting or Clean-Up Campaigns:** Involving students in environmental initiatives.

Ethical Governance and Transparency

- **Fair Admissions:** Ensuring equal opportunity in admissions regardless of gender, ethnicity, or socioeconomic status.
- **Anti-Corruption Policies:** Promoting integrity among staff and students in academic and financial processes.
- **Open Communication:** Regular reporting on college operations and community contributions.

Staff and Student Welfare

- **Fair Employment Practices:** Providing fair wages, safe working conditions, and opportunities for staff development.
- **Mental Health and Support Services:** Access to counseling, mentorship, and career guidance.
- **Student Voice:** Creating platforms for students to participate in college decision-making.

Economic Contribution

Job Creation: Producing graduates who are skilled and ready to contribute to the local economy.

- **Entrepreneurship Programs:** Encouraging students to start their own businesses through incubators or business training.

Promotion of Ethical and Social Values

- **Workplace Ethics in Training:** Instilling values like responsibility, honesty, and respect in students' vocational education.
- **Inclusivity:** Supporting students with disabilities or from marginalized groups.

11. Report of the Council/Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the *Cherang'any Technical And Vocational College* affairs.

Principal activities

The principal activities of the Cherang'any Technical And Vocational College are;
The institution offers technical and vocational education and training and strives to enhance acquisition of practical skills through the Competency Based Education and Training (CBET) approach.

Mission:

To be a leading technical and vocational institution, globally recognized for education, Research, Innovation and Community Development

Vision:

To provide high quality technical and vocational education and training that equips trainees with skills, knowledge, attitudes and values necessary to succeed in the workforce and to contribute to the socio-economic development of the region, the nation and beyond

Core Values

- Integrity
- Teamwork
- Professionalism
- Innovativeness
- Creativity

Results

The results of the Cherang'any Technical And Vocational College for the year ended June 30 are set out on page 1-8.

Council/Board of Governors

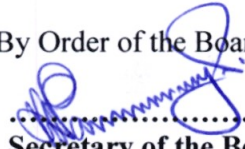
The members of the Board /Council who served during the year are shown on page vi-viii. During the year 2024/2025 no director retired/ resigned and Six board of governors was appointed with effect from 07th March 2023 date.

Auditors

The Auditor General is responsible for the statutory audit of the *Cherang'any Technical And Vocational College* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the *Cherang'any Technical And Vocational College* for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

By Order of the Board



.....
Secretary of the Board/Council
Nairobi

Date: 27/8/2025



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

Section 81 of the Public Finance Management Act, 2012 and (*section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - (entities should quote the applicable legislation under which they are regulated)*) require the council members to prepare financial statements in respect of that *Cherangany Technical and Vocational College*, which give a true and fair view of the state of affairs of the *Cherangany Technical and Vocational College* at the end of the financial year/period and the operating results of the *Cherangany Technical and Vocational College* for that year/period. The Council members are also required to ensure that the *Cherangany Technical and Vocational College* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Cherangany Technical and Vocational College*. The council members are also responsible for safeguarding the assets of the *Cherangany Technical and Vocational College*.

The Council members are responsible for the preparation and presentation of the *Cherangany Technical and Vocational College's* financial statements, which give a true and fair view of the state of affairs of the *Cherangany Technical and Vocational College* for and as at the end of the financial year (period) ended on June 30, 2025. 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 *Cherangany Technical and Vocational College*, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the *Cherangany Technical and Vocational College*, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for the *Cherangany Technical and Vocational College'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 State Corporations Act, and the TVET Act*) – *entities should quote applicable legislation as indicated under*). The council members are of the opinion that the *Cherangany Technical and Vocational College's* financial statements give a true and fair view of the state of *Cherangany Technical and Vocational College's* transactions during the financial year ended June 30, 2025, and of the *Cherangany Technical and Vocational College's* financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the *Cherangany Technical and Vocational College*, which have been relied upon in the preparation of the *Cherangany Technical and Vocational College's* financial statements as well as the adequacy of the systems of internal financial control.

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025


In preparing the financial statements, the Principal has assessed the *Cherangany Technical and Vocational College's* ability to continue as a going concern. Nothing has come to the attention of the Council members to indicate that the *Cherangany Technical and Vocational College* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

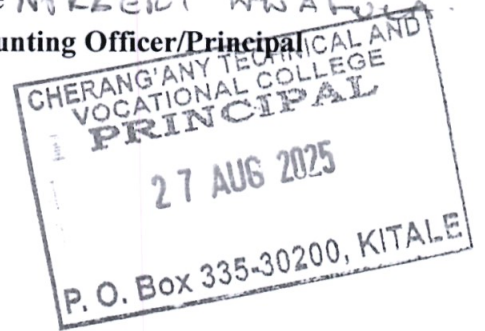
The Cherangany Technical and Vocational College financial statements were approved by the Board on 27th August 2025 and signed on its behalf by:



.....
Name **SAMUEL K. TAWUI**
Chairperson of the Board/Council

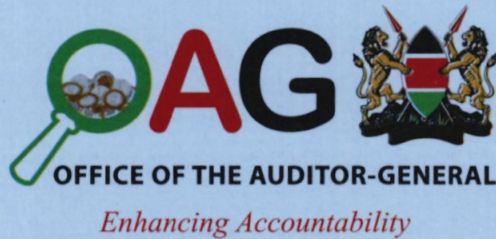


.....
Name **NORBERT WWAUFU**
Accounting Officer/Principal



REPUBLIC OF KENYA

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Email: 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 CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on 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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Cherang'any Technical and Vocational College set out on pages 1 to 64, which comprise of the statement of financial

position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Cherang'any Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Receivables from Non-Exchange Transactions

The statement of financial position reflects receivables from non-exchange transactions balance of Kshs.1,460,000 as disclosed in Note 28 to the financial statements. However, the supporting schedules including invoices and approved requisition for services relating to the receivables were not provided for audit. Further, Management did not have a debtor's ledger recording the amounts due from service providers.

In the circumstances, the accuracy and completeness of receivables from non-exchange transactions balance of Kshs1,460,000 could not be confirmed

2. Inaccuracies in Plant, Property and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.60,250,490 as disclosed in Note 32 to the financial statements. However, the balance varies with the balance of Kshs.61,194,738 disclosed in the asset movement schedules resulting in an unreconciled variance of Kshs.944,248. Further, the assets movement schedules had additions to property, plant and equipment amounting to Kshs.3,264,025 which differed with the assets register additions of Kshs.3,323,024 resulting in an unreconciled variance of Kshs.58,999.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.60,250,490 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final income budget and actual income of Kshs.57,047,385 and Kshs.20,761,500 respectively resulting in an underfunding of Kshs.36,285,885 or 63% of the budget. Further, the statement indicates that the College spent Kshs.23,513,162 against the actual receipt of Kshs.20,761,500 resulting in over-utilization of Kshs.2,751,662 or 113% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Board of Governors is responsible for the Other Information set out on page iii to xxxvii which comprise of Key Entity Information and Management, The Board of Governors, Management Team, Chairman's Statement, Report of the Chief Principal, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors , Statement of Board of Governors Responsibilities, Statement of Performance Against Predetermined Objectives). The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the College's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter 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

Non-Remittance of Public Procurement Capacity Building Levy

Review of documents revealed that Management did not deduct and remit the public procurement capacity building levy. This was contrary to Paragraph 3(1) of Legal Notice 206 of the Levy Order 2023 which provides that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of 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 governance were not effective.

Basis for Conclusion

Lack of Internal Audit Function

The College did not have an internal audit function and there were no internal audit reports on internal controls of the College. Further, documents relating to approved annual audit

charter, audit strategic plan, annual audit work plan and audit committee minutes were not provided for audit.

In the circumstances, the College's ability to maintain an effective system of internal controls and the measures taken to ensure they are effective could not be confirmed.

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 the Management and Board of Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 governance.

In preparing the financial statements, Management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention 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.

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 comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 December, 2025

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

14. Statement of Financial Performance For The Year Ended 30 June 2025

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	13,175,630	9,170,117.60
Grants from donors and development partners	7	0	0
Transfers from other levels of government	8	0	0
Public contributions and donations	9	0	0
		13,175,630	9,170,117.60
Revenue from Exchange transactions			
Rendering of services- fees from students	10	43,871,755	16,844,573.40
Sale of goods	11	0	0
Rental revenue from facilities and equipment	12	0	0
Finance income	13	0	0
Miscellaneous income	14	0	0
		43,871,755	16,844,573.40
Total Revenue		57,047,385	26,014,491
Expenses			
Use of goods and services	15	16,767,798	9,738,025
Employee costs	16	5,010,591	4,320,906
Board /Council Expenses	17	852,000	806,000
Depreciation and amortization expense	18	2,604,356	1,676,566
Repairs and maintenance	19	882,773	1,111,615
Contracted services	20	0	0
Grants and subsidies	21	0	0
Finance costs	22	47,216	35,965
Total Expenses		26,164,734	17,689,077
Other Gains/(Losses)			
Gain on sale of assets	23	0	0
Gain/ Loss on fair value of investments	24	0	0
Impairment loss	25	0	(0)
Total Other Gains/(Losses)		0	0
Net surplus/(deficit) for the year		30,882,651	8,325,614

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

The Financial Statements set out on pages 1 to 9 were signed by:


.....

Chairman of Council/Board


Date 27/8/25


.....

Principal

Date 27/8/2025




.....

Finance Officer

ICPAK No

Date 27-08-2025



CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025


15. Statement of Financial Position As At 30th June 2025


Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	61,269	1,968,115
Current portion of receivables from exchange transactions	27(a)	44,528,130	8,927,719
Receivables from non-exchange transactions	28	1,460,000	2,172,189
Inventories	29	351,988	37,500
Investments in financial assets	30	0	0
Prepayments	31	0	0
Total Current Assets		46,401,387	13,105,523
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	0	0
Investments	30	0	0
Property, plant, and equipment	32	60,250,490	60,281,809
Intangible assets	33	944,249	0
Investment property	34	0	0
Biological Assets	35	0	0
Total Non-Current Assets		61,194,739	60,281,809
Total Assets (A)		107,596,126	73,387,332
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	36	1,744,423	399,090
Refundable deposits from customers	37	0	0
Current provisions	38	0	0
Finance lease obligation	39	0	0
Deferred income	40	0	0
Employee benefit obligation	41	0	0
Payments received in advance	42	0	0
Current portion of borrowings	43	0	0


CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Social Benefits	46	0	0
Total Current Liabilities		1,744,423	399,090
Non-Current Liabilities			
Finance lease obligation	39	0	0
Deferred income	40	0	0
Non-Current Employee Benefit Obligation	41	0	0
Non- Current Borrowings	43	0	0
Non-Current Provisions	44	0	0
Service Concession Liability	45	0	0
Social benefits	46	0	0
Total non- current liabilities		0	0
Total Liabilities (B)		1,744,423	399,090
Net Assets (A-B)		105,851,703	72,988,242
Represented By:			
Revaluation Reserves		0	0
Accumulated Surplus		43,473,920	8,325,614
Capital Fund		62,377,783	64,662,628
Net Assets		105,851,703	72,988,242

The Financial Statements set out on pages 1 to 9 were signed by:


.....
Chairman of Council/Board


.....
Principal


.....
Finance Officer

ICPAK No
Date 27/8/25

Date 27/8/2025

Date 27.08.2025

CHERANG'ANY TECHNICAL AND
 VOCATIONAL COLLEGE
PRINCIPAL
 27 AUG 2025
 P. O. Box 335-30200, KITALE

CHERANG'ANY TECHNICAL AND VOCATIONAL COLLEGE
ACCOUNTANT
 27 AUG 2025
 P. O. Box 335-30200, KITALE

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

16. Statement of Changes in Net Asset For The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)	0	4,265,656	62,377,783	66,643,43
Revaluation gain	0	-	-	-
Surplus/(deficit) for the year	-	8,325,614	-	8,325,614
Capital grants received during the year	-	0	0	0
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0		-
At June 30, 2024	0	12,591,269	62,377,783	74,969,05
At July 1, 2024 (current year)	0	12,591,269	62,377,783	74,969,05
Revaluation gain	0	-	-	-
Surplus/(deficit) for the year	-	30,882,651	-	30,882,65
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0	(0)	-
At June 30, 2025	0	43,473,920	62,377,783	105,851,70

17. Statement of Cash Flows For The Year Ended 30 June 2025

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Description		FY 2024-2025	FY 2023-2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		7,595,374	9,170,000
Grants from donors and development partners		0	0
Transfers from other levels of government		0	0
Public contributions and donations		0	0
Rendering of services- fees from students		13,166,126	8,288,694
Sale of goods		0	0
Rental revenue from facilities and equipment		0	0
Finance income		0	0
Miscellaneous income		0	0
Total Receipts		20,761,500	17,458,694
Payments			
Employee costs		4,524,126	4,320,906
Tuition		2,339,336	3,728,362
E.W.C		660,717	1,007,131
L.T.T		1,007,938	427,580
Administration		6,953,208	3,555,890
Finance cost		47,216	35,965
KNEC/CDACC Examination		1,632,946	684,780
Board /Council Expenses		852,000	806,000
Repairs and maintenance		882,773	783,340
Industrial attachment Activity		138,600	33,395
Contracted services		191,559	300,887
Contracted services		0	0
Grants and subsidies		0	0
KUCCPS Adoption fee		215,640	0
Total Payments		19,446,059	15,684,236
Net Cash Flows from operating activities	47	1,315,441	1,774,458
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		3,191,924	(0)
Proceeds from sale of property, plant and equipment		0	0
Net cash flows used in investing activities		3,191,924	(0)
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		(0)	(0)
Net cash flows used in financing activities		(0)	(0)

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Description		FY 2024-2025	FY 2023-2024
	Note	Kshs	Kshs
Net Increase/(Decrease) in Cash and Cash equivalents		(1,876,483)	1,774,458
Cash and Cash equivalents at 1 JULY	26	1,937,752	163,294
Cash and Cash equivalents at 30 JUNE	26	61,269	1,937,752

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	0	0	0	0	0
Receipts						
Transfers from other National Government entities	13,175,630	0	13,175,630	7,595,374	5,580,256	57.64%
Grants from donors and development partners	0	0	0	0	0	0.00%
Transfers from other levels of government	0	0	0	0	0	0.00%
Public contributions and donations	0	0	0	0	0	0.00%
Rendering of services- fees from students	43,871,755	0	43,871,755	13,166,126	30,705,629	30.01%
Sale of goods	0	0	0	0	0	0.00%
Rental revenue from facilities and equipment	0	0	0	0	0	0.00%
Finance income	0	0	0	0	0	0.00%
Miscellaneous Income	0	0	0	0	0	0.00%
Total Receipts	57,047,385	0	57,047,385	20,761,500	36,285,885	52.94%
Payments						
Use of goods	48,623,601	0	48,623,601	16,767,798	31,855,833	34.48%
Employee costs	5,194,000	0	5,194,000	5,010,591	183,409	96.47%
Board /Council Expenses	1,100,000	0	1,100,000	852,000	248,000	77.45%
Repairs and maintenance	2,129,784	0	2,129,784	882,773	1,247,011	41.45%
Contracted services	0	0	0	0	0	0.00%
Grants and subsidies	0	0	0	0	0	0.00%
Total Expenditure Payments	57,047,385	0	57,047,385	23,513,162	31,308,277	41.21%
Capital Expenditure Payments	0	0	0	0	0	0.00%

CHERANGANY TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Surplus	0	0	0	-2,751,662		
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Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	n/a
2	Reason for differences	n/a
3	Reason for differences	n/a
4	Reason for differences	n/a
	Closing Cash and Cash Equivalent as per the statement of Cash flows	n/a

19. Notes to the Financial Statements

1. General Information

Cherangany Technical and Vocational College is established by and derives its authority and accountability from TVET Act. The Cherangany Technical and Vocational College is wholly owned by the Government of Kenya and is domiciled in Kenya. The Cherangany Technical and Vocational College's 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 measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *Cherangany Technical and Vocational College's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Cherangany Technical and Vocational College*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, , and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There are no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Cherangany Technical and Vocational College. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

**Cherang'any Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025**

	<p>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Cherangany Technical and Vocational College shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the Cherangany Technical and Vocational College's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>

iii. Early adoption of standards

The Cherangany Technical and Vocational College did not early – adopt any new or amended standards in the financial year or *the Cherangany Technical and Vocational College adopted the following standards early.*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Cherangany Technical and Vocational College and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Cherangany Technical and Vocational College recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

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

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on *15th August 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Cherangany Technical and Vocational College upon receiving the respective approvals to conclude the final budget. Accordingly, the Cherangany Technical and Vocational College recorded additional appropriations of *xxx* on the FY 2024/2025 budget following the Council/ Board's approval. The Cherangany Technical and Vocational College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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 Cashflows has been presented.

c) Taxes

Current income tax

The Cherangany Technical and Vocational College is exempt from paying taxes as per schedule *xxx* of the *xxx* Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.* (Cherangany Technical and Vocational College to amend appropriately). Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Cherangany Technical and Vocational College. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Cherangany Technical and Vocational College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Cherangany Technical and Vocational College will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Cherangany Technical and Vocational College. Operating lease payments

Cherang'any Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

The Cherangany Technical and Vocational College recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the Cherangany Technical and Vocational College, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

The Cherangany Technical and Vocational College expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Cherangany Technical and Vocational College can demonstrate:

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one Cherangany Technical and Vocational College and a financial liability or equity instrument of another Cherangany Technical and Vocational College. At initial recognition, the Cherangany

Cherangany Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

Technical and Vocational College measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The Cherangany Technical and Vocational College classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the Cherangany Technical and Vocational College's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an Cherangany Technical and Vocational College has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Cherangany Technical and Vocational College classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the Cherangany Technical and Vocational College manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

Impairment

The Cherangany Technical and Vocational College assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Cherangany Technical and Vocational College recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

The Cherangany Technical and Vocational College classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

k) 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 (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Cherangany Technical and Vocational College*.

l) Provisions

Provisions are recognized when the *Cherangany Technical and Vocational College* 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 *Cherangany Technical and Vocational College* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

The *Cherangany Technical and Vocational College* does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *Cherangany Technical and Vocational College* 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.

m) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The *Cherangany Technical and Vocational College* recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the *Cherangany Technical and Vocational College* will incur in fulfilling the present obligations represented by the liability.

n) Nature and purpose of reserves

The *Cherang'any Technical and Vocational College* creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

The *Cherangany Technical and Vocational College* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Cherangany Technical and Vocational College pays fixed contributions into a separate Cherangany Technical and Vocational College (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation

q) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) 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.

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) 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, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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6. Transfers from other National Government entities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	11,175,630	7,170,117.60
Operational Grant	2,000,000	2,000,000
Development grants	0	0
Other Grants	0	0
Total unconditional Grants	13,175,630	9,170,117.6
Conditional Grants amortised/ recognised in revenue		
Library Grant	0	0
Hostels Grant	0	0
Administration Block Grant	0	0
Laboratory Grant	0	0
Learning Facilities Grant	0	0
Other Organizational Grants	0	0
Total Government Grants and Subsidies	13,175,630	9,170,117.60

(a) Transfers from other Government entities (Categorized)

Name of the Cherangany Technical and Vocational College Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	13,175,630	0	0	13,175,630	9,170,117.60
XX Ministry	0	0	0	0	0
Total	13,175,630	0	0	13,175,630	9,170,117.60

7. Grants from Donors and Development Partners

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
JICA- Research Grant	0	0
World Bank Grants	0	0

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In-Kind Donations	0	0
Donations transferred to revenue-conditions met	0	0
Other Grants (specify)	0	0
Total Grants from Development Partners	0	0

(a) Reconciliations of grants from donors and development partners

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Balance unspent at beginning of year	0	0
Current year receipts	0	0
Conditions Met - Transferred to Revenue	0	0
Conditions Yet To Be Met - Remain Liabilities	0	0

8. Transfers from Other Levels of Government

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transfer from County n/a	0	0
Transfer from n/a University	0	0
Transfer from n/a Institute	0	0
Total Transfers	0	0

9. Public Contributions and Donations

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Public Donations	0	0
Donations from Local Leadership	0	0
Donations from Religious Institutions	0	0
Donations from Alumni	0	0
Other Donations	0	0
Total Donations and Contributions	0	0

10. Rendering of Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Tuition Fees	10,497,824	8,003,943
Activity Fees	1,057,774	1,439,194

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Industrial Attachment Fees	1,198,775	303,600
Examination Fees	4,641,000	1,380,000
Library Fees	0	0
Facilities And Materials	0	0
Registration Fees	157,000	0
KUCCPS Adoption fee	471,000	0
Administration fee	7,527,186	0
Insurance	223,800	483,400
Personal Emolument	8,736,498	1,444,299
E.W.C	2,620,949	1,355,729
L.T.T	2,620,949	1,314,329
R.M.I	3,000,000	954,359
Student Council	149,200	27,600
Medical	746,000	74,520
Student id	223,800	63600
Others	0	0
Total Revenue from The Rendering of Services	43,871,755	16,844,573

11. Sale of Goods

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Sale of Books	0	0
Sale of Publications	0	0
Sale of Farm Produce	0	0
Cafeteria sales	0	0
Other sales (specify)	0	0
Total Revenue from Sale of Goods	0	0

12. Rental revenue from facilities and equipment

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Hire of Facilities and Equipment	0	0
Contingent Rentals	0	0
Operating Lease Revenue	0	0
Others	0	0
Total	0	0

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13. Finance Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Cash investments and fixed deposits	0	0
Interest income from treasury bills	0	0
Interest income from treasury bonds	0	0
Interest from outstanding debtors	0	0
Others	0	0
Total finance income	0	0

14. Miscellaneous Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Insurance recoveries	0	0
Consultancy fees	0	0
Income from sale of tender	0	0
Services concession income	0	0
Reimbursements and refunds	0	0
Graduation fees	0	0
Bad debts recovered	0	0
Income written back	0	0
Others	0	0
Total other income	0	0

15. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Teaching and learning materials	4,405,248	3,728,362
Industrial attachment costs	139,050	33395
Electricity	600,717	1,007,131
Water	0	0
Security	0	0
Professional and consultancy services	0	0
Subscriptions	0	0
Advertising	0	0
Examination fees	2,224,631	684,780
Audit fees	0	0
Catering, conferences, and delegations	0	0
Travelling and accommodation	1,007,938	427,580
Fuel and oil	0	0
Insurance	0	0
Legal expenses	0	0
Licenses and permits	0	0
Postage	0	0
Printing and stationery	0	0
Hire charges	0	0
Rent expenses	0	0
Skills development levies	0	0
Telephone expenses	0	0
Internet expenses	0	0
Training expenses	0	0
Administration expenses	7,983,015	3,555,890
Activity expenses	191,559	300,887
KUCCPS Adoption fee	215,640	0
Total good and services	16,767,798	9,738,025

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16. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries and wages	4,152,687	3,643,284
Employee related costs - contributions to pensions and medical aids	638,304	549,622
Travel, motor car, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	219,600	128,000
Overtime payments	0	0
Social contributions	0	0
Employee Costs	5,010,591	4,320,906

17. Board/Council Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Chairman's Honoraria	120,000	30,000
Directors Emoluments	732,000	776,000
Other Allowances	0	0
Other Board/Council Expenses	0	0
Total	852,000	806,000

18. Depreciation and Amortization expense

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	2,289,606	1,678,588
Intangible assets	314,750	0
Investment property carried at cost	0	0
Total depreciation and amortization	2,604,356	1,678,588

19. Repairs and Maintenance

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property	882,773	1,111,615
Investment property – earning rentals	0	0
Equipment and machinery	0	0
Vehicles	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
Total Repairs and Maintenance	882,773	1,111,615

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20. Contracted Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Actuarial valuations	0	0
Investment valuations	0	0
Property valuations	0	0
Other	0	0
Total contracted services	0	0

21. Grants and Subsidies

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Community Development	0	0
Education Initiatives and Programs	0	0
Social Development	0	0
Social benefits expenses	0	0
Community Trust	0	0
Sporting Bodies	0	0
Others	0	0
Total Grants and Subsidies	0	0

22. Finance Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Borrowings (Amortized Cost)*	0	0
Finance Leases (Amortized Cost)	0	0
Unwinding of Discount from lease liabilities	0	0
Interest on Bank Overdrafts	0	0
Interest on Loans from Commercial Banks	0	0
Bank charges	47,216	35,965
Total Finance Costs	47,216	35,965

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23. Gain On Sale of Assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Other Assets not capitalised	0	0
Total Gain On Sale of Assets	0	0

24. Gain/(loss) on Fair Value Investments

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Fair value on equity investments	0	0
Fair value arising from investment property	0	0
Fair value arising from biological assets	0	0
Fair value- other financial assets	0	0
Total Gain	0	0

25. Impairment Loss

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, Plant and Equipment	0	0
Intangible Assets	0	0
Total Impairment Loss	0	0

26. Cash and Cash Equivalents

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Account	61,269	1,968,115.35
On - Call Deposits	0	0
Fixed Deposits Account	0	0
Staff Car Loan/ Mortgage	0	0
Others	0	0
Total Cash and Cash Equivalents	61,269	1,968,115.35

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

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
a) Current Account			
Cooperative Bank		54,493	1,937,755.35
Sub- Total		54,493	1,937,755.35
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
e) Others			
Cash in Transit		0	0
Cash in Hand		6,776	30,360
Mobile Money account		0	0
Sub- Total		6,776	30,360
Grand Total		61,269	1,968,115.35

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	44,528,130	8,927,719
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	44,528,130	8,927,719

27 (b) Long- term Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	0	0
Advance Payments	0	0
Public Organizations	0	0
Less: Impairment Allowance	0	0
Total	0	0
Current Portion Transferred To Current Receivables	0	0
Total Non-Current Receivables	0	0
Total Receivables	0	0

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY2023-2024	% of total
Less than 1 year	39,659,937	%	7,219,769	%
Between 1- 2 years	4,283,102	%	1,457,350	%
Between 2-3 years	585,091	%	250,600	%
Over 3 years	0	%	0	%
Total (a+b)	44,528,130	%	8,927,719	%

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	0	0
Provisions during the year	0	0
Recovered during the year	0	0
Write offs during the year	0	0
At the end of the year	0	0

28. Receivables from Non-Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	1,460,000	2,172,189
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	1,460,000	2,172,189

28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,460,000	100%	1,632,189	75%
Between 1- 2 years	0	%	540,000	25%
Between 2-3 years	0	%	0	0%
Over 3 years	0	%	0	0%
Total	1,460,000	%	2,172,189	100%

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	0	0

29. Inventories

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Consumable stores	247,648	37,500
Maintenance stores	0	0
Health Unit stores	0	0
Electrical stores	25,700	0
Cleaning Materials stores	0	0
ICT Stores	11,570	
Fashion and Design stores	67,070	0
Less: Impairment allowance	0	0
Total Inventories at lower of Cost and Net Realizable Value	351,988	37,500

Detailed disclosure on inventories

	FY 2024-2025	FY 2023-2024
Opening balance	37,500	0
Additional Inventory in the year	351,988	37,500
Inventory expensed in the year	37,500	0
Write-downs in the year	0	0
Others specify	0	0
Closing balance	351,988	37,500

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30. Investments in financial assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	0	0
CBK	0	0
Sub- Total	0	0
b) Investment with Financial Institutions/ Banks		
Bank X	0	0
Bank Y	0	0
Sub- Total	0	0
c) Equity Investments		
Equity/ Shares in Company	0	0
Sub- Total	0	0
Grand Total	0	0

d) Shareholding in other entities

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

Name of Cherangany Technical and Vocational College where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	FY 2024/2025	FY 2023/2024
					%	%
Cherangany Technical and Vocational College A	n/a	n/a	n/a	n/a	n/a	n/a
Cherangany Technical and Vocational College B	n/a	n/a	n/a	n/a	n/a	n/a
	n/a	n/a	n/a	n/a	n/a	n/a

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31. Prepayments

Description	FY 2024-2025	FY 2023-2024
	Kshs.	Kshs.
Insurance	0	0
Rent	0	0
Water	0	0
Internet	0	0
Others	0	0
Total	0	0

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32. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Intangible Assets	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2.5%	10%	10%	25%	12.50%	25%		
At 1 July 2023	10,000,000	52,075,773	0	0	120,200	181,810	0	0	62,377,783
Additions		0	0	699,385	430,200	1,155,260	0	0	2,284,845
Disposals	(0)	-	-	-	(0)	-	(0)	(0)	(0)
Transfers/Adjustments	(0)	0	0	(0)	(0)	-	(0)	0	(0)
Revaluation	0	0	0	0	0	0	0	0	0
At 30th June 2024	10,000,000	52,075,773	0	699,385	550,400	1,337,070	0	0	64,662,628
Additions	0	0	0	274,500	541,040	1,248,485	1,258,999	0	3,264,025
Disposals	(0)	-	-	-	(0)	-	(0)	(0)	(0)
Transfer/Adjustments	(0)	0	0	(0)	(0)	-	(0)	0	(0)
Revaluation	0	0	0	0	0	0	0	0	0
At 30th June 2025	10,000,000	52,075,773	0	973,885	1,091,440	2,585,555	1,258,999	0	67,926,653
Depreciation And Impairment									
At 1 July 2023	-	(2,603,788)	(0)	(0)	(58,050)	(42,414)	(0)	(0)	(2,704,252)
Depreciation	-	(1,301,894)	(0)	(69,938)	(137,600)	(167,134)	(0)	(0)	(1,676,566)
Disposals	-	-	-	-	0	-	(0)	0	0
Impairment	-	-	-	-	(0)	-	(0)	-	(0)
At 30 Jun 2024		3,905,682	0	69,938	195,650	209,547	(0)	(0)	4,380,818
Depreciation	-	(1,301,894)	(0)	(87,388)	(272,860)	(312,714)	(314,749)		(2,289,606)
Disposals	-	-	-	-	0	-	0	0	0
Impairment	-	(0)	-	-	(0)	-	(0)	-	(0)

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Intangible Assets	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfer/Adjustment	-	(0)	(0)	0	(0)	-	(0)	(0)	0
At 30th Jun 2025	-	5,207,576	0	726,558	624,980	522,261	0	0	7,081,375
Net Book Values									
At 30th Jun 2024	10,000,000	48,170,090	0	629,447	354,750	1,127,522	0	0	60,281,810
At 30th Jun 2025	10,000,000	46,868,196	0	726,558	624,980	2,030,755	944,249	0	61,194,739

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by n/a professional valuers on n/a. These amounts were adopted in the financial statements on n/a.

32 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	10,000,000	0	10,000,000
Buildings	52,075,773	5,207,577	46,868,196
Plant And Machinery	2,554,455	523,699	2,030,756
Motor Vehicles including Motorcycles	0	0	0
Computers and Related Equipment	1,091,440	466,460	624,980
Office Equipment, Furniture, And Fittings	873,885	147,327	726,558
Total	66,595,553	6,345,063	60,250,490

33. Intangible Assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Cost	0	0
At beginning of the year	0	0
Additions	1,258,999	0
At end of the year	0	0
Additions–internal development	0	0
At end of the year	0	0
Amortization and impairment		
At beginning of the year	0	0
Amortization	314,749.75	0
At end of the year	0	0
Impairment loss	0	0
At end of the year	314,749.75	0
NBV	944,249.25	0

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34. Investment Property

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At beginning of the year	0	0
Additions	0	0
Disposal during the year	(0)	(0)
Depreciation	(0)	(0)
Impairment	(0)	(0)
Gain or loss on fair value- if fair value is elected	0	0
At end of the year	0	0

35. Biological Assets

	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Trees in a plantation forest	0	0
Animals: Dairy Cattle, Pigs, Sheep	0	0
Others	0	0
Total	0	0

36. Trade and Other Payables

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Trade payables	1,744,423		399,090	
Fees paid in advance	0		0	
Salary deductions	0		0	
Third-Party Payments	0		0	
Other Payables	0		0	
Total Trade and Other Payables	1,744,423		399,090	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	1,744,423	%	399,090	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (to tie to totals above)	1,744,423	%	399,090	%

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37. Refundable Deposits from Customers/Students

Description	FY 2024-2025		FY 2024-2025	
	Kshs		Kshs	
Consumer deposits	0		0	
Caution money	0		0	
Other refundable deposits	0		0	
Total Deposits	0		0	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (to tie to totals deposits above)	0	%	0	%

(Provide brief explanation)

38. Current Provisions

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

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39. Finance Lease Obligation

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the start of the year	0	0
Discount interest on Lease Liability	0	0
Paid during the year	(0)	(0)
At end of the year	0	0

Maturity Analysis

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

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

40. Deferred Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
National Government	0	0
International Funding Bodies	0	0
Public Contributions and Donations	0	0
Total Deferred Income	0	0

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The deferred income movement is as follows:

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

Analysed as:

Description	Amount
	Kshs
Current	0
Non- Current	0
Total	0

41. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Insert Current FY	Insert Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
Total Employee Benefits Obligation	0	0	0	0	0

Retirement benefit Asset/ Liability

The Cherangany Technical and Vocational College do not operates a defined benefit scheme for all full-time employees. The scheme is administered by n/a while n/a are the custodians of the scheme. The scheme is based on n/a percentage of salary of an employee at the time of retirement.

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

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Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Discount Rates	n/a	n/a
Future Salary Increases	n/a	n/a
Future Pension Increases	n/a	n/a
Mortality (Pre- Retirement)	n/a	n/a
Mortality (Post- Retirement)	n/a	n/a
Withdrawals	n/a	n/a
Ill Health	n/a	n/a
Retirement	n/a	n/a

Recognition of Retirement Benefit Asset/ Liability

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others	0	0
Adjustments for restrictions on the defined benefit asset	0	0
Premeasurement of the net defined benefit liability (asset)	0	0

b) Amounts recognised in the Statement of Financial Position

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Present value of defined benefit obligations(a)	0	0
Fair value of plan assets(b)	(0)	(0)
Funded status(=a-b)	0	0
Restrictions on asset recognised	0	0
Others	0	0
Net asset or liability arising from defined benefit obligation	0	0

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The Cherangany Technical and Vocational College also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Cherangany Technical and Vocational College's obligation under the scheme is limited to specific contributions legislated from time to time and is currently range at Kshs. 240-2,340 per employee per month depending on individual salaries. Other than NSSF the Cherangany Technical and Vocational College also has a defined contribution scheme operated by n/a Pension Fund. Employees contribute n/a while employers contribute n/a of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

42. Payments received in advance.

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Fees received in advance	0		0	
Others (Specify)	0		0	
Total	0		0	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	0	%	0	%

43. Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Balance at beginning of the year	0	0
External borrowings during the year	0	0
Domestic borrowings during the year	0	0
Repayments of external borrowings during the year	(0)	(0)
Repayments of domestic borrowings during the year	(0)	(0)
Balance at end of the year	0	0

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43 a) Analysis of External and Domestic Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
External borrowings		
Dollar denominated loan from 'xx organization'	0	0
Sterling pound denominated loan from 'yyy organization'	0	0
Euro denominated loan from zzz organization'	0	0
Domestic borrowings		
Kenya shilling loan	0	0
Total balance at end of the year	0	0

43 b) Breakdown of Long and Short-Term Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	0	0
Long Term Borrowings	0	0
Total	0	0

44. Non-Current Provisions

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

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45. Service Concession Arrangements

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	0	0
Accumulated depreciation to date	(0)	(0)
Net carrying amount	<u>0</u>	<u>0</u>
Service concession liability at beginning of the year	0	0
Service concession revenue recognized	(0)	(0)
Service concession liability at end of the year	<u>0</u>	<u>0</u>

46. Social Benefit Liabilities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Health social benefit scheme	0	0
Unemployment social benefit scheme	0	0
Orphaned and vulnerable benefit scheme	0	0
People Living with disabilities benefit scheme	0	0
Elderly social benefit scheme	0	0
Bursary social benefits	0	0
Total	0	0
Current social benefits	0	0
Non- current social benefits	0	0
Total	0	0

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47. Cash generated from operations.

	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Surplus for the year before tax	33,457,600	8,640,277
Adjusted for:		
Depreciation	2,289,605	1,676,588
Non-Cash grants received	(0)	(0)
Contributed assets	(0)	(0)
Impairment	0	0
Gains and Losses on Disposal of Assets	(0)	(0)
Contribution to provisions	0	0
Contribution to impairment allowance	0	0
Finance Income	(0)	(0)
Finance Cost	0	0
Working Capital Adjustments	(0)	
Increase in Inventory	(314,488)	(37,500)
Increase in Receivables	(36,716,781)	(8,630,993)
Increase in Deferred Income	0	0
Increase in Payables	1,345,333	289,380
Increase in Payments received in advance	0	0
Net Cash Flow from Operating Activities	61,269	1,937,752

48. Financial Risk Management

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

The Cherangany Technical and Vocational College's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0
At 30 June 2025				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0

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Financial risk management (continued)

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

The Cherangany Technical and Vocational College has significant concentration of credit risk on amounts due from n/a

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024 (previous year)				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2025 (current year)				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

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(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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

Foreign currency sensitivity analysis

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

U	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
20xx			
Euro	10%	0	0
Usd	10%	0	0
20xx			
Euro	10%	0	0
Usd	10%	0	0

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20XX: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20XX – Kshs xxx)

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iv) Capital Risk Management

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	43,473,920	8,640,277
Capital Reserve	62,377,783	64,662,628.45
Total Funds	105,851,703	73,302,905.45
Total Borrowings	0	0
Less: Cash and Bank Balances	(61,269)	(1,968,115)
Net Debt/(Excess Cash and Cash Equivalents)	105,790,434	71,334,790
Gearing	1.64%	0.6%

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49. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	0	0
Rent income from govt. agencies	0	0
Water sales to govt. agencies	0	0
Others	0	0
Total	0	0
B) Purchases from related parties		
Purchases of electricity from kplc	660,717	797,131
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. agencies	0	0
Others	0	0
Total	660,717	797,131
b) Grants /Transfers from the Government		
Grants from National Govt	11,175,630	9,170,117
Grants from County Government	0	0
Donations in Kind	0	0
Total	11,175,630	9,170,117
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for Board of Governors Employees	0	0

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Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Payments for Goods and Services for Government transaction	0	0
Total	0	0
d) Key Management Compensation		
Directors' emoluments	852,000	806,000
Compensation to Key Management	0	0
Total	852,000	806,000

50. Segment Information

51. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	0	0
Assets arising from determination of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Others	0	0
Total	0	0

Contingent Liabilities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Contingent Liabilities	0	0
Court Case n/a against (<i>The Cherangany Technical and Vocational College</i>)	0	0
Bank guarantees in favour of subsidiary	0	0
Contingent liabilities arising from Contracts including PPPs	0	0
Others	0	0
Total	0	0

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52. Capital Commitments

Capital Commitments	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Authorised for	n/a	n/a
Authorised and Contracted for	n/a	n/a
Total	n/a	n/a

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53. Events After The Reporting Period

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

54. Ultimate And Holding Cherangany Technical and Vocational College

The Cherangany Technical and Vocational College is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

55. Currency

The financial statements are presented in Kenya Shillings (Kshs) and the values are rounded off to the nearest shilling.

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
OAG/KTL-RO/2023-2024/CHER.TVC/(5)	1.Inaccurate Statement of Comparison of Budget and Actual amounts	The variance between the actual and budgeted amount has been amended	Resolved	Immediately
	2.Inaccuracies in Receivables from Exchange Transactions	Inaccuracies in Receivables from exchange transaction has been amended.	Resolved	Immediately
	3.Unsupported Expenditure on Use of Goods and Services	Payment vouchers and expenditure approvals for the unsupported expenditure on use of goods and services has been prepared.	Resolved	Immediately
	4.Unsupported Board Expenses	Board expenditure totaling to Kshs.314,500 has been supported with the board minutes, Board Charter and Board work plan.	Resolved	Immediately
	5. Accreditation of Trainers	Management has ensured that going forward all trainers engaged in the institution have applied for the TVETA licence.	Resolved	30 th June2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
	6. Innovation, Research and Co-operation	The College is in the process of establishing an innovation, Research and Co-operation committee to coordinate and spearhead innovations.	Resolved	30 th June 2025
	7. Internal Quality Assurance	The management has established a quality assurance policy and also put in place internal systems to ensure maintenance of standards, quality and relevance of training programmes.	Resolved	30 th June 2025
	8. Lack of Human Resource Policy Manual and Approved Staff Establishment for the College	The management has established a Human Resource Policy Manual and Approved Staff Establishment for the College	Resolved	30 th June 2025
	9. Lack of Staff Appraisal	The Management have carried out annual staff appraisal to all employees.	Resolved	30 th June 2025
	10. Lack of an Internal Audit Function	Management has established a functional internal audit and an audit committee.	Not Resolved	30 th June 2026
	11. Lack of Occupational Safety and Health Policy	The management is in the process of preparing Occupational Safety and Health Policy and to be approved by the Board.	Resolved	30 th June 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
	12.Weak Information Technology Internal Control Environment	The Management is in the process of establishing ICT policy and also an approve IT strategic committee and strategic plan.	Not Resolved	30 th June 2026
	13.Lack of Risk Management Policy and Disaster Recovery Plan	The Management is in the process of developing Risk Management Policy and Disaster Recovery Plan.	Resolved	30 th June 2025
OAG/KTL-RO/2023-2024/CHER.TVC/(5)	1.Inaccuracies in the Statement of Changes in Net Assets	The variance in the changes in net assets has been amended, Also the statement of comparison of budget and actual amount has been recomputed to correct the variance.	Resolved	Immediately
	2.Unsupported Receivables from Exchange Transactions	The supporting schedules for the current portion of receivables from exchange transaction has been availed.	Resolved	Immediately
	3.Inaccuracies in Property, Plant and Equipment	Asset Register has been updated to correct the variance of Kshs.100,000 and also to include donated furniture and fittings.	Resolved	Immediately
	4.Lack of Board Charter and Board Work Plan	The management has prepared annual board ALMANAC. Further, the board is in the process of carrying out annual evaluation of its	Resolved	30 th June 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
		performance resulting in an evaluation report with recommendations for implementation.		
	5.Lack of Internal Audit Function	The management has established a functional internal audit and an effective audit committee in the current financial year.	Not Resolved	30 th June 2026
	6.Lack of Risk Management Policy and Disaster Recovery Plan	The Management has developed a risk management policy and disaster recovery plan in the current financial year 2024/2025	Resolved	30 th June 2025

Guidance Notes:

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

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.....
Name **MORSEPT WWAFLA.**
Accounting Officer
Principal
Date **27.8.2025.**

CHERANG'ANY TECHNICAL AND
VOCATIONAL COLLEGE
PRINCIPAL
27 AUG 2025
P. O. Box 335-30200, KITALE

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Appendix II: Projects Implemented by (The Cherangany Technical and Vocational College)

Projects

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

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

Status of Projects completion

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

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Appendix III- Inter-Cherangany Technical and Vocational College Confirmation Letter

Name of transferring Cherangany Technical and Vocational College-State Department of Technical And Vocational Educational Training

Name of beneficiary Cherangany Technical and Vocational College –Cherangany Technical And Vocational College

Confirmation of amounts received by [Insert name of beneficiary Cherangany Technical and Vocational College] as at 30th June (Current FY)

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT24195CK68M	15/07/2024	499,827.50	0	499,827.50	
FT24265FPX5	23/09/2024	930,527.50	0	930,527.50	
RTGS/I/NCP/000007629777	24/09/2024	1,497,739.70	0	1,497,739.70	
FT24271JGTK0	27/09/2024	362,820.60	0	362,820.60	
FT242719H787	27/09/2024	523,154.20	0	523,154.20	
RTGS/I/NCP/000007722761	27/09/2024	2,741,311.20	0	2,741,311.20	
FT242755P690	02/10/2024	499,827.50	0	499,827.50	
FT2428226HJS	09/10/2024	40,140.90	0	40,140.90	
FT2501TWD8C	21/01/2025	499,827.50	0	499,827.50	
RTGS/I/NCP/000010618996	14/02/2025	3,080,425	0	3,080,425	
FT25155NTR8K	04/06/2025	499,827.50	0	499,827.50	
Total		11,175,429	0	11,175,429	

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

Head of Accounts Department - Disbursing Cherangany Technical and Vocational College:

Name **Sign** **Date**

Cherang'any Technical and Vocational College
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Head of Accounts Department - Beneficiary Cherangany Technical and Vocational College:

Name DAVID K KIBOS Sign [Signature] Date..... 27.08.2025.....



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Appendix IV: Reporting of Climate Relevant Expenditures

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

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Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments