

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 14 OCT 2025

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TUESDAY

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BY:

DEPUTY MAJORITY LEADER
HON. OWEN BATA

CLERK-AT
TABLE:

A. SHIBUKO



REPORT

OF

THE AUDITOR-GENERAL

ON

**SUPPORT TO TECHNICAL AND VOCATIONAL
EDUCATION TRAINING AND
ENTREPRENEURSHIP (TVETE PROJECT
PHASE III) (LOAN NO. 2100150042254)**

FOR THE YEAR ENDED

30 JUNE, 2025

**STATE DEPARTMENT FOR TECHNICAL,
VOCATIONAL EDUCATION AND TRAINING**

THE NATIONAL ASSOCIATION
OF THE DEAF



THE NATIONAL ASSOCIATION
OF THE DEAF

DAY

DATE

MEMBER

THE NATIONAL ASSOCIATION
OF THE DEAF



09 SEP 2025

**PROJECT NAME: TECHNICAL AND VOCATIONAL EDUCATION TRAINING AND
ENTREPRENEURSHIP PROJECT (TVETE PHASE III)**

**IMPLEMENTING ENTITY: MINISTRY OF EDUCATION – STATE DEPARTMENT FOR
TECHNICAL, VOCATIONAL EDUCATION AND TRAINING**

PROJECT GRANT/CREDIT NUMBER: ADF LOAN No: 2100150042254

PROJECT ID. NO. P-KE-IAE-003

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)
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1. Acronyms and Definition of Terms

AfDB	African Development Bank
CBK	Central Bank of Kenya
CDACC	Curriculum Development, Assessment and Certification Council
CIAC	Corruption and Integrity Assurance Committees
Comparative FY	Financial year preceding the current financial year.
DeKUT	Dedan Kimathi University of Technology
EACC	Ethics and Anti-Corruption Commission
EHS	Environmental, Health and Safety
EMCA	Environmental Management and Co-ordination Act
ESHS	Environmental, Social, Health and Safety
ESMP	Environmental and Social Management Plan
ESS	Environmental Social Safeguards
GoK	Government of Kenya
HQ	Headquarters
ICPAK	Institute of Certified Public Accountants of Kenya
IFMIS	Integrated Financial Management Information System
IPSAS	International Public Sector Accounting Standards
KNQA	Kenya National Qualification Authority
KSHS	Kenya Shillings
MDAs	Ministries, Departments and Agencies
MSMEs	Micro Small and Medium Enterprises
NCA	National Construction Authority
NEMA	National Environmental Management Authority
NT	National Treasury
OSHA	Occupational Safety and Health Act
PAC	Parliamentary Accounts Committee
PAD	Project Appraisal Document
PFM	Public Finance Management

Acronyms and Definition of Terms (continued)

PIU	Project Implementation Unit
PLWD	People Living with Disabilities
PSASB	Public Sector Accounting Standards Board
SDTVET	State Department for Technical, Vocational Education and Training
SMART	Specific, Measurable, Achievable, Realistic, and Time-Bound
STEM	Science Technology Engineering and Mathematics System
TOR	Terms of Reference
TTI	Technical Training Institute
TU-K	Technical University of Kenya
TUM	Technical University of Mombasa
TVET – MIS	Technical Vocational Education and Training – Management Information System
TVETA	Technical and Vocational Education and Training Authority
TVETE	Technical and Vocational Education Training and Entrepreneurship
UA	Unit of Accounts
WB	World Bank
WIBA	Workplace Injury and Benefits Act
WMI	Wangare Maathai Institute

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is Technical and Vocational Education Training and Entrepreneurship project (TVETE Phase III).

Objective

The key objective of the project is to increase youth employment by improving the employability and competitiveness of Kenyan youth through improved access to quality and relevant Technical Vocational Education Training and Entrepreneurship (TVETE).

Address

The project headquarters offices are in Nairobi (city), Nairobi County, Kenya. The address of its registered office is:

Ministry of Education,
State Department for Technical, Vocational Education and Training
Jogoo House B 8th Floor
P.O. Box 9583-00200
Nairobi, Kenya

Contacts: The following are the project contacts

P.O. Box: 9583-00200

Telephone: (254) 722492972

E-mail: pstvet@education.go.ke

Website: www.education.go.ke

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Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	11.01.2021
Project End Date:	30.06. 2026
Project Coordinator:	Mr. John K. Tuwei
Project Sponsor:	The project sponsor is GoK and African Development Bank Group

2.3 Project Overview

Line Ministry and State/ County Department	The project is under the supervision of the Ministry of Education, State Department for Technical, Vocational Education and Training (SD-TVET)
Project number	PROJECT ID: P-KE-IAE-003 ADF LOAN NO. 2100150042254
Strategic goals of the project	<p>The strategic goals of the project are as follows: To improve employability and competitiveness of Kenyan youth through quality and relevant Technical Education and Entrepreneurship Training.</p> <p>The specific objectives of the project include, to:</p> <ul style="list-style-type: none"> a) increase inclusive access to technical education and training through expansion of infrastructure and training equipment, including to trainees with special needs b) improve the quality and relevance of technical education and training through a demand-driven CBET curriculum, capacity building of TVET actors, partnership with industry and entrepreneurship

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	c) facilitate evidence-based decision making in TVET through research
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: (i) Expansion of infrastructure and training equipment, including to trainees with special needs (ii) Develop and implement demand driven CBET curriculum, capacity building of TVET actors, partnership with industry and entrepreneurship (iii) Facilitate evidence-based decision making in TVET through research.
Other important background information of the project	The project covers 22 TVET institutions spread across the entire Country
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: (i) Increase transition of youth from basic education into TVET and reduce unemployment (ii) Improve the quality and relevance of TVET for industry
Project duration	5 Years - The project started on 11 th January 2021 and was expected to run until 30 th June 2025. Granted a no cost extension of one year to end on 30 th June 2026.

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Project Information and Overall Performance (Continued)

2.4 Bankers

The project doesn't have separate bank accounts for its operations. It shares the Development Bank account for the State Department for Technical, Vocational Education and Training at the Central Bank of Kenya

2.5 Independent Auditor

The Project is audited by:

The Auditor-General

Office of the Auditor General, Kenya

Anniversary Towers, University Way

P.O Box 30084-0100

Nairobi, Kenya

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2.6 Roles and Responsibilities

No	Names	Title designation	Key qualification	Responsibilities
1.	John K. Tuwei	Director Technical Education	Masters in Chemistry Graduate Certificate in TVET	Project Coordinator
2.	Perpetuah Njeru	Deputy Director Vocational Technical Education	Bachelor of Education - Arts	Project Environmental and Gender Officer
3.	Beth W. Muriuki	Deputy Director Technical Education	Masters in Project Planning & Management	Project Officer
4.	Carolyne Nyambok	Assistant Accountant General	Masters in Business Administration	Project Accountant
5.	Rosemary Munene	Finance Officer	Bachelor of Commerce -Finance	Project Finance Officer
6.	Zannah Awiti	Supply Chain Management Officer	Diploma in Supply Chain Management	Project Procurement Officer
7.	Rhodah Auma	Technical Education Officer	Masters in Development Studies	Project Officer
8.	Nickson Kimono	Senior Economist	Masters in Project Planning & Management	Project M&E Officer

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2.7 Funding summary

The Project is for duration of 5 years from 2021 to 2025 with a no cost extension for one-year up to 30 June 2026 with an approved budget of UA 31,080,000 (Euros 38,404,002) equivalent to Kshs.4,336,374,840 as highlighted in the table below:

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Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Development Partner Commitment		Amount received to date – (30 th June 2025)		Undrawn balance to date (30 th June 2025)	
	Donor currency Euros	Kshs	Donor currency Euros	Kshs	Donor currency Euros	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
(i) Loan						
Development partner – AfDB Bank	33,238,985	3,753,168,700	13,076,101	1,894,101,052	20,162,884	1,859,067,648
(ii) Counterpart funds						
Government of Kenya	5,165,017	583,206,140	1,936,930	280,568,436	3,228,087	302,637,704
Total	38,404,002	4,336,374,840	15,013,031	2,174,669,488	23,390,971	2,161,705,352

- i. *The rate used to translate the development partner loan commitment and the undrawn balance to date is as per the Project Appraisal Report UA 1=KES 139.523, UA 1=EUR 1.23565 so 1 EUR = KES 112.9146.*
- ii. *The average rate for the project since inception is 1EUR= KES 144.8521 and has been arrived at by dividing the Kenya shillings amount received to date by the Euros amounts received to date (which is loan commitment less the undrawn balance) for both the loan component and the GoK counterpart funds. For purposes of converting the cumulative expenditure in Kenya shillings into the donor currency of the loan, the exchange rate applied was the average for all the direct payments transactions for the period ended 30th June 2025, at 1 EURO = Kshs 144.8521. However, for amounts already received and paid out, the applicable exchange rate is based on the then prevailing average exchange rate.*

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Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 th June 2025)		Cumulative amount paid to date – (30 th June 2025)		Unutilised balance to date (30th June 2025)	
	Donor currency Euros	<i>Kshs</i>	Donor currency Euros	<i>Kshs</i>	Donor currency Euros	<i>Kshs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan						
Development partner – AfDB Bank	13,076,101	1,894,101,052	13,076,101	1,894,101,052	0	0
(ii) Counterpart funds						
Government of Kenya	2,508,915	280,568,436	1,936,930	280,568,436	0	0
Total	15,585,016	2,174,669,488	15,013,031	2,174,669,488	0	0

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Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

- i) Budget performance against actual amounts for the current year and for cumulative to-date (30th June 2025)

The project achieved Budget absorption rate of 97%. being a total expenditure of Kshs. 1,042,937,846 against an approved budget of Kshs. 1,079,426,626 for the financial year under review. The total cumulative expenditure to date since the inception of the project is Kshs. 2,174,747,888 against an approved commitment of Kshs 4,336,374,840 translating into an absorption rate of 50%.

- ii) The physical progress based on outputs, outcomes, and impacts since project commencement as detailed below:

Outcome 1: Access to TVET programs improved

The provision of infrastructure in 22 TVETs are on average at 84% completion as follows: Nyeri NP, Kapchepkor TVC, Aldai TTI, Siaya NP, St, Joseph's Nyangoma TTID, Godoma TTI, Tseikuru NP, Machakos TTI, Mukurwe-ini TTI, Sikri TTIBD, Bumbe TTI, Butere TTI, Bureti TTI, Machokos TTI (Hospitality), Laisamis TVC, Karen TTID, Wajir TTI, Siala TTI, Nairobi NP, PC-Kinyanjui and Kamukunji TVC and Wumingu TVC.

Enrolment increased from 359,852: (Male: 202,479; Female: 157,373) in 2018 to the Current TVET enrolment of 565,842: (Male: 306,176; Female: 259,666) with 80% trainees enrolled in STEM courses. Gender Parity Index for enrolment in Public TVET Institutions is at 0.8 indicating a positive trend towards attainment of a target of 0.9 by the end of the project.

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Project information and overall performance (continued)

Outcome 2: Quality and relevance of TVET Improved

The project targets to provide equipment in 26 TVET institutions and Wangare Maathai IPES. The project has made equipment deliveries at Wangari Maathai Institute, Chepalungu TVC, Elwak TVC, Chamasiri TVC, Elburgon TVC and Kakrao TVC. Contracts for supply of equipment to Limuru TVC, Ol'Lessos TTI and Nyeri NP was awarded and are under manufacture. Equipment for another 11 institutions have been tendered. In addition, 97 trainers are undertaking degree at TUM, TU-K and DeKUT. On relevance the project engaged 12 institutions (TVET-CDACC, Nairobi NP, Kabete NP, Nyeri NP, Meru NP, Kenya Coast NP, Eldoret NP, Kisumu NP, Rift Valley NP, Kisii NP, Sigalagala NP and Kitale NP to carry out RPL assessment of 1,850 MSME artisans.

A total of 75 out of 75 targeted TTIs are implementing demand driven curriculum; 20% of graduates from TVET institutions were gainfully employed either formally or in self-employment and; Tracer studies to establish the employment status of the remaining graduates is ongoing in TVET institutions.

iii) The absorption rate for each year since the commencement of the project is as per the table below:

Financial Year	2021/2022	2022/2023	2023/2024	2024/2025
Absorption Rate	12%	14%	123%	97%

iv) Some of the key implementation challenges included delays in processing of tax exemptions at National Treasury, the turnover of key staff including heads of procurement and accounts, frequent budget cuts during the supplementary budgets. The loss in time of implementation because of these challenges included 'no cost extensions' of time for contracts and extension of loan period by the National Treasury and the AfDB.

2. Slow progress of works in Siala and Bumbe TTI.

Way forward – close supervision and fast-tracking of payments for invoices presented.

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Slow progress of works at Siala TTI is as a result of a succession case in court occasioned by the demise of the Main contractor.

3. Procurement and installation of equipment in TVET institutions – Tenders for supply and installation of equipment have been advertised – This activity is dependent on completion of works contracts.

Way forward: – Fast tracking the completion of the works to at least 80% completion to pave way for procurement and installation of equipment.

Close supervision of the 13 running contracts to ensure equipment are delivered as per the contract terms.

Some of the key implementation challenges included delays in processing of tax exemptions at National Treasury, the turnover of key staff including heads of procurement and accounts, frequent budget cuts during the supplementary budgets. The loss in time of implementation because of these challenges included ‘no cost extensions’ of time for contracts and extension of loan period by the National Treasury and the AfDB

2.9 Summary of Project Compliance:

- i. The project complied with all the agreements and covenants with the African Development Bank as well as with applicable laws and regulations such as the National Treasury circulars on project investment management, PFM Act 2012 and Kenya vision 2030 flagship projects, and essential external financing agreements/covenants. The project is expected to be completed on 30 June 2026 and has not encountered any non-compliance to date.
- ii. The project has in place a project Steering committee to oversee the implementation of the project by the project coordinating unit and the project consultant, all of whom are guided by singular objective of ensuring a successful implementation of the project within the set guidelines, laws and regulations governing project implementation in the country.

3. Statement of Performance against Project's Predetermined Objectives

The overall objective of the Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) is to improve employability and competitiveness of Kenyan youth through quality and relevant Technical Education and Entrepreneurship Training.

The project targets trainees and trainers in Technical Training Institutes (TTIs), trainees living with disability, semi-skilled youth in Micro Small and Medium Enterprises (MSMEs), TVET quality assurance agencies and industry. The project will directly benefit 156,000 trainees (50% female), 2000 youth in MSMEs, 1000 TVET trainers and indirectly 6.9 million youth aged 15 – 25 years who qualify for tertiary education across the 47 counties in Kenya. The project targeted to achieve the following strategic objectives:

1. Increase inclusive access to TVET through expansion of infrastructure and training equipment, including to trainees with special needs

Under this objective, the project envisioned to increase enrolment to TVET and expand inclusive access through expansion of workshops and classrooms in 11 TTIs, including 4 special needs TTIs, provision of 16 hostels (60% female); training equipment to 26 TTIs in Science Technology Engineering and Mathematics (STEM);

Since inception the project has developed infrastructure in 22 TVETs which are at an average of 84% in the following TVETs: Nyeri NP, Kapchepkor TVC, Aldai TTI, Siaya NP, St. Joseph's Nyangoma TTID, Godoma TTI, Tseikuru NP, Machakos TTI, Mukurwe-ini TTI, Sikri TTIBD, Bumbe TTI, Butere TTI, Bureti TTI, Machokos TTI (Hospitality), Laisamis TVC, Karen TTID, Wajir TTI, Siala TTI, Nairobi NP, PC-Kinyanjui and Kamukunji TVC and Wumingu TVC.

2. Improve the quality and relevance of TVET through a demand-driven CBET curriculum, capacity building of TVET actors, partnership with industry and entrepreneurship

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Under this objective the project was planned to improve the quality and relevance of TVET training through TVET institutional development and trainers' capacity building, promote demand-driven training in collaboration with industry, establishment of a Curriculum Development, Assessment and Certification Council (CDACC) publishing, printing and assessment centre

The project has made equipment deliveries at Wangari Maathai Institute, Chepalungu TVC, Elwak TVC, Chamasiri TVC, Elburgon TVC and Kakrao TVC. Contracts for supply of equipment to Limuru TVC, Ol'Lessos TTI and Nyeri NP was awarded and are under manufacture. Equipment for another 11 institutions have been tendered. In addition, 97 trainers are undertaking degree at TUM, TU-K and DeKUT. On relevance the project engaged 12 institutions (TVET-CDACC, Nairobi NP, Kabete NP, Nyeri NP, Meru NP, Kenya Coast NP, Eldoret NP, Kisumu NP, Rift Valley NP, Kisii NP, Sigalagala NP and Kitale NP to carry out RPL assessment of 1,850 MSME artisans.

A total of 75 out of 75 targeted TTIs are implementing demand driven curriculum; 20% of graduates from TVET institutions were gainfully employed either formally or in self-employment and; Tracer studies to establish the employment status of the remaining graduates is ongoing in TVET institutions.

3. Facilitate evidence-based decision making in TVET through research

The project is developing the TORs that will be used to procure consultant for carrying out Tracer studies and status of the implementation of the TVET reforms since 2013.

Introduction

Section 81(2)(f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer when preparing financial statements of each National Government project in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government project's performance against predetermined objectives.

The key development objectives of the project's agreement/plan are to:

1. To increase inclusive access to technical education and training through expansion of infrastructure and training equipment, including to trainees with special needs.

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2. To improve the quality and relevance of technical education and training through a demand-driven CBET curriculum, capacity building of TVET actors, partnership with industry and entrepreneurship.
3. To facilitate evidence-based decision making in TVET through research.

Progress on the attainment of strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement.

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Below, we provide the progress on attaining the stated objectives:

Outcome Indicators (as specified in the RLF add/delete rows as needed)	Baseline Value	Most recent value	End Target (expected value at project completion)	Progress towards end target (%) realized)	Assessment (on whether outcome indicator is on track to reach annual and end targets. If not on track, please justify)
Strategic Objective 1: To increase inclusive access to technical education and training through expansion of infrastructure and training equipment, including to trainees with special needs.					
Outcome 1: Access to TVET programs improved					
Indicator 1: % increase in TVET enrollment (50% women).	40 126,542M 90,637F 217,179	310,243 M 254,619 F 564,862	60	160	On track. TVET MIS
Indicator 2: % of TVET trainees enrolled in engineering and applied science (50% women).	63	68% 251,967M 132,169F 384,136	80	85	On track. TVET MIS
Indicator 3: Gender Parity Index for enrollment in Public TVET Institutions.	0.54	0.82	0.90	91.11	On Track. TVET MIS
Strategic Objective 2: To improve the quality and relevance of technical education and training through a demand-driven CBET curriculum, capacity building of TVET actors, partnership with industry and entrepreneurship.					
Outcome 2: Quality and relevance of TVET Improved					

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Outcome Indicators (as specified in the RLF add/delete rows as needed)	Baseline Value	Most recent value	End Target (expected value at project completion)	Progress towards end target (% realized)	Assessment (on whether outcome indicator is on track to reach annual and end targets. If not on track, please justify)
Indicator 1: % of Bank supported TTIs implementing demand-driven curriculum in line with the new CBET	0	100%	100%	100%	On track. All TVET institutions are currently implementing CBET courses.

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4. Environmental and Sustainability reporting

The development objective of the TVETE project is to improve employability and competitiveness of Kenyan youth through quality and relevant Technical Education and Entrepreneurship Training.

The Project has two funding instruments from the Bank namely ADF Loan and a grant from the Youth Entrepreneurship and Innovation Multi-Donor Trust Fund (YEI MDTF) The development objective of the TVETE project is to improve employability and competitiveness of Kenyan youth through quality and relevant Technical Education and Entrepreneurship Training.

The Project has two funding instruments from the Bank namely ADF Loan and a grant from the Youth Entrepreneurship and Innovation Multi-Donor Trust Fund (YEI MDTF)

The Project components of the ADF loan and counterpart funding are:

- (i) Promotion of Inclusive Access to Technical Education and Training;
- (ii) Capacity Building of TVET Quality Control and Quality Assurance Structures;
- (iii) Entrepreneurship Training and Youth Employment and
- (iv) Institutional Support and Project Management

Component -1: Promotion of Inclusive Access to Technical Education and Training

Promotion of Inclusive Access to Technical Education and Training

This Covers construction and equipping of workshops and laboratories, construction of hostels and development of centres of excellence. There are contracts commitments mainly in civil works.

Through TVETE Phase III a total of Twenty-Two (22) construction sites are underway. These are:

- (i) Workshops
- (ii) Hostels and
- (iii) Incubation Canters
- (iv) One (1) publishing and printing Centre for TVET CDACC

Component II: Capacity Building of TVET Quality Control and Quality Assurance Structures

This involves training of TVET trainers in CBET and emerging sectors such as Agro processing, renewable energy/ upskilled to degree level.

Component III: Entrepreneurship Training and Youth Employment

These include establishment of entrepreneurship incubation centres, training youth in entrepreneurship, review of entrepreneurship curriculum, training of TVET trainers on entrepreneurship, providing start up kits or financial support to the youth, establishing linkages between TVET graduates and special funds in Kenya, reskilling and certification of youth in MSMEs, and tracer studies.

Component IV: Institutional Support and Project Management

The component covers project management, M&E and Research. It has studies including status of implementation of TVET Reforms, skills mapping, and gender analysis. The component also has consultancy for design review, supervision of works and feasibility study for pipeline development.

YEI-MDTF Funding

The YEI-MDTF provided co-financing to the ADF loan and therefore the activities are complementary.

Below is a brief of activities that drive towards sustainability:

1. Sustainability Strategy and Profile

Education and training are a key priority area for the social pillar of Kenya Vision 2030, which is geared towards promoting Globally Competitive Quality Education, Training and Research for Sustainable Development. This is in line with the United Nations, Sustainable Development Goals (SDGs 2015-2030) and in particular, Sustainable Development Goal 4.

The manufacturing and service sector are fast adopting the new and emerging technologies in industry. These technologies need a higher knowledge-based system and would require enormous

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technical skills. This has a profound effect on the employment, education, and training of technical manpower. To this end, Kenya has initiated a number of interventions that include:

- Enhancing the investment budget,
- Improving the governance structure by enacting the Technical Vocational Education Training Act 2013,
- Extending the fibre optic cable to ensure reliable internet connectivity to 40 TVET institutions,
- Ensuring installation of power to all TVET institutions and
- Rolling out the digital literacy skills in schools and TVET Institutions.
- Rolling out the competency Based Education and Training (CBET)
- Modularization of TVET programs.
- Establishment of three (3) incubation centres in TVET institutions

The government considers investment in TVET as strategy to reduce unemployment and achieve sustainable development. However, the subsector faces major challenges which include:

- Inadequate access and low-quality training,
- Mismatch of skills attained in training with the requirements of industry,
- Use of obsolete training equipment,
- High cost of training and
- Poor public perception.

In addition, education for sustainable development is an essential component of every human being. This means that education should be available and accessible to all learners based on equal opportunity and equity. However, people with disabilities are often marginalized and consequently, they may not access technical training as they should but TVET has four (4) Special Institutions that cater for PWDs in the country

Thus, it is true that government agencies have focused more on providing equality to the learners in TVET institutions but overlooked the aspect of equity. Therefore, there is necessity for special commitment to enhance:

- Infrastructure,
- Technology,

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- Access to training and
- Transition to work for learners with disabilities in the four (4) technical institutions.

This will in the long-term create a critical mass of technically and entrepreneurially qualified graduates, who have required skills relevant to the industry.

2. Environmental performance

- The Environmental and Social Management Plan (ESMP) for the project was developed by a consultant and approved by the National Environmental Management Authority (NEMA) at the inception of the project.
- The ESMP included assessment and development of monitoring of social and environmental impact parameters in line with EMCA 2019 and ESS. The environmental and social impacts of the project was assessed low and involved minor excavations with minimum impact on the natural environment.
- The consultant acquired National Construction Authority Certificate (NCA) for all construction sites.

TVET institutions supported by AfDB TVETE phase III developed Recognition of Prior Learning (RPL) which has been rolled out in selected TVET institutions. The RPL was completed using Government of Kenya counterpart funding.

The institutions integrated greening in the TVET curriculum in Education for Sustainable Development (ESD).

Through the project, TVET institutions have delivered Competency-Based Education and Training (CBET) on the principles of environmental management and sustainability.

- Community Outreach and Service: AfDB TVETE phase III has promoted public awareness and built understanding of the principles of environment management and sustainability through partnerships with the community through taking care of environment especially in the construction sites by replacing of cut trees in the sites.
- In all the sites under construction the contactors have landscaped the site and planted flowers.

3. Employee welfare

The Twenty-Two (22) TVETE phase III construction contracts are ongoing with some of the sites complete and handed over to the client. During construction works the following is taken into consideration:

- The employees are hired from within the locality hence limited movement and creation of employment to the community.
- The consultant and the contractor hired skilled workers who resided in hotels in the closest proximity to the project area.
- The contractor ensured the hiring process was done with fairness and gender was considered.
- The contractors have complied with provisions of Workplace Injuries and Benefits Act (WIBA), 2007 for all the workers in construction sites.
- Effective contractual obligations for the contractor were done with workers to adhere to the mitigation of risks against labour influx, including sexual exploitation and abuse.
- The contractors keep proper and updated records of the workers on site and avoid child and forced labour.
- Fair treatment, non-discrimination, and equal opportunity to all and considering the female workers.
- The Contractor ensures the sub-contractors, sub-consultants, and any personnel engaged in construction works individually signed and complied with a Code of Conduct with specific provisions on protection from sexual exploitation and gender-based violence.

The Ministry fully implements the safety and compliance with Occupational Safety and Health Act of 2007, (OSHA) whereby the contractors are directed to provide sanitation facilities as outlined in the Public Health Act and OSHA, 2007.

4. Market place practices

The project had outlined its efforts to:

a) Responsible Supply chain and supplier relations-

- At the HQs the officer in charge (Director) of procurement advertised tender in the newspaper and at the Ministry of Education website after the Permanent Secretary (PS) approval
- A committee is appointed by procurement officer through the PS to carry out evaluation.
- Information of the lowest firm is loaded on the system for an NO Objection from Bank was given.
- The advert of tenders is usually done on daily newspaper and also in ministry website. This gives an equal opportunity to Kenyans to participate in the tendering processes.
- The ministry maintains a register of suppliers categorized into general and other special groups like the women, PWD, youth etc.
- The awarded supplier is required to adhere to the timelines in the contract.

The procurement of goods, works and services is in line with the Kenya procurement law and the donor procurement rules and procedures. The organization ensures proper contract management and ensures proper budgeting to ensure the contractors; suppliers and all service providers are paid as per signed contracts.

b) Responsible ethical practices

- There is a code of conduct which is also available on the website for reference by all stakeholders. This gives direction on the ethical conducts by the staff and trainees at the institutions.
- As per the Performance Contract, the committee prepared reports to the Ethics and Anti-Corruption Commission (EACC) on quarterly basis. The reports are based on bribery and Corruption Risks and Mitigation Plan that is developed every year.
- Corruption prevention boxes are strategically placed to enable stakeholders to report corruption cases anonymously for action. Corruption cases can also be reported through the official email or telephone numbers of the institution.

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)
Annual Report and Financial Statements for the financial year ended June 30, 2025

- There are posters and signages to show that corruption is not allowed at the institutions.
- Sensitization done to staff, trainees and other stakeholders was carried out at different forums.

c) Regulatory impact assessment

Citizens and stakeholder's rights are guarded by the ethical practices. Stakeholders' engagement plan was designed to ensure all stakeholders are involved.

5. Community Engagements

- Greening aspects is integrated in TVET Programmes by reviewing the already developed curriculums and community is sensitized on the importance of tree planting to mitigate climate change.
- TVET institutions have planted trees and community also offered seedlings.
- The project implementers engage the community in tree planting day which is gazetted as a holiday.
- AfDB project offers job opportunities to the community in all the construction sites.
- The community is also engaged during celebrations e.g. graduations among others

5. Statement of Project Management Responsibilities

The Principal Secretary for the State Department for Technical, Vocational Education and Training and the Project Coordinator for the Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year 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 project, (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) Safeguarding the assets of the project, (v) Selecting and applying appropriate accounting policies and (vi) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary for the State Department for Technical, Vocational Education and Training and the Project Coordinator accept responsibility for the Project's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Principal Secretary for the State Department for Technical, Vocational Education and Training and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. The Principal Secretary for the Ministry of Education, State Department for Technical, Vocational Education and Training and the Project Coordinator further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

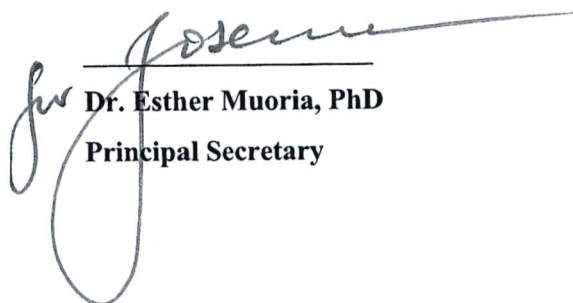
Annual Report and Financial Statements for the financial year ended June 30, 2025

The Principal Secretary for the State Department for Technical, Vocational Education and Training and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Project financial statements were approved by the Principal Secretary for the State Department for Technical, Vocational Education and Training and the Project Coordinator for the Technical and Vocational Education Training and Entrepreneurship Project (TVETE- Phase III) on

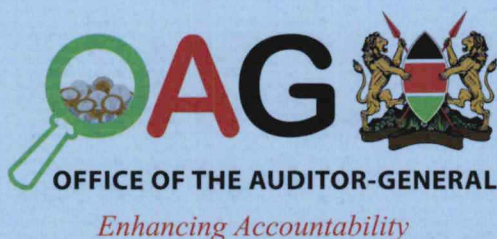
09/09 2025 and signed by:


Dr. Esther Muoria, PhD
Principal Secretary


John Tuwei
Project Coordinator

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 SUPPORT TO TECHNICAL AND VOCATIONAL EDUCATION TRAINING AND ENTREPRENEURSHIP (TVETE PROJECT PHASE III) (LOAN NO. 2100150042254) FOR THE YEAR ENDED 30 JUNE, 2025 - STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL EDUCATION AND TRAINING

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No.

Report of the Auditor-General on Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No. 2100150042254) for the year ended 30 June, 2025 - State Department for Technical, Vocational Education and Training

2100150042254) - State Department for Technical, Vocational Education and Training set out on pages 1 to 34, 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 the 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, the financial statements present fairly, in all material respects, the financial position of the Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No. 2100150042254) - State Department for Technical, Vocational Education and Training 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 Loan Financing Agreement No.2100150042254 between the African Development Fund and the Government of Kenya dated 11 January, 2021 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No. 2100150042254) - State Department for Technical, Vocational Education and Training 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 opinion.

Emphasis of Matter

Low Absorption of Project Funds

Paragraph 2.2 of the Project Information indicates that the Project was to be implemented between 11 January, 2021 and 30 June, 2026. Further, Paragraph 2.7 on funding summary indicates that the donor commitment of Euro 38,404,002 equivalent to an amount of Kshs.4,336,374,840. However, actual drawdown as at 30 June, 2025 amounted to Euros 15,013,031 equivalent of Kshs.2,174,669,488 or 50% of the commitment, resulting to an amount of Kshs.2,161,705,352 of undrawn funding. As a result of the low absorption of funds, the Project's objectives may not be achieved as the project implementation window lapses in under one (1) year. Further, Management did not provide plausible explanations for the delay in funds drawdown.

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. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on the Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues or given any explanation for failure to implement the recommendations.

Other Information

Conclusion

The Management is responsible for the Other Information set out on pages iv to xxviii which comprise of the Project Information and Overall Performance, Statement of Performance Against Project's Predetermined Objectives, Environmental and Sustainability Reporting, and the Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the Project'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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Open Project Bank Account

The statement of financial performance reflects revenue transfers amount of Kshs.1,042,859,446 as disclosed in Note 6 to the financial statements. Included in the amount is GoK counterpart funding amounting to Kshs.123,732,556. However, Management did not maintain a designated project account but instead project funds were channeled through development bank account for State Department without specification. Further, receipt vouchers to confirm actual receipt of funds and notification from The National Treasury indicating the amount disbursed for the project were not provided for audit review.

This was contrary to Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015 which stipulates that for the purpose of disbursement of project funds, there shall be opened and maintained a project account for every project at Central Bank of Kenya unless it is exempted by the Cabinet Secretary, in writing, into which all funds shall be kept and such an account shall be known by the name of the project for which it is opened and each project shall maintain only one bank account.

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

2. Delay in Execution of Contracts

The statement of financial performance reflects other transfers/subsidies/grants amount of Kshs.919,126,890 as disclosed in Note 8 to the financial statements. However, the following issues were noted;

2.1 Delay in Completion of Proposed Construction of Hospitality Block - Siala Technical Training Institute

Included in the expenditure is an amount of Kshs.15,530,887 spent on the construction of hospitality block at Siala Technical Training Institute. The project was signed on 14 August, 2023 at a contract sum of Kshs.86,848,072 with an amount of Kshs.37,617,034 paid to date. The contractor was to complete the works within twenty-four (24) months, ending August, 2025. However, physical inspection in the month of July, 2025 revealed that the project had stalled and signs of vandalism observed as the site was not secured.

2.2 Non-Delivery of Electrical Equipment and Electronics Engineering Equipment

The State Department signed contracts for the supply of laboratory equipment, ordinary office items and electrical equipment at Wangari Maathai Institute for Peace and Environmental Studies at a total contract sum of Kshs.93,627,070 and electrical and electronics engineering equipment at Kibwezi West Technical and Vocational College and Samburu North Technical and Vocational College at a total contract sum of Kshs.110,823,458.

Report of the Auditor-General on Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No. 2100150042254) for the year ended 30 June, 2025 - State Department for Technical, Vocational Education and Training

However, the following observations in relation to the above contracts were made;

- i. The contracts start date was 16 January, 2023 with end date of 16 January, 2024.
- ii. The contractor failed to deliver the goods under the contract as per the contract timelines and requested for extension of the contracts due to delays in manufacturing.
- iii. The contractual period for Wangari Maathai Institute for Peace and Environmental Studies, Kibwezi West Technical and Vocational College and Samburu North Technical and Vocational College were further extended to 16 April, 2025 and 6 May, 2025 respectively. However, the contractor had not yet delivered the goods as at 30 June, 2025.

2.3 Incomplete Works at Siaya National Polytechnic

Included in the expenditure of Kshs.919,126,890 is an amount of Kshs.18,893,311 paid for the construction of building and civil engineering workshop at Siaya National Polytechnic. The construction contract was awarded at a contract sum of Kshs.71,439,338. Physical inspection in the month of July, 2025 revealed that the project was complete and in use with taking over certificate already issued. However, the snag list did not include faulty fire alarm panel, faulty CCTV system, missing internet connection and unlabeled distribution boards.

In the circumstances, value for money on the investments in the construction and supply and delivery of electrical and electronics engineering equipment valued at Kshs.919,126,890 has not been realized.

3. Commitment Charge on Undisbursed Portion of the Loan

Review of the funding summary under the project information and overall performance as disclosed on page x to the financial statements revealed Development Partner commitment and amounts received to date of Kshs.4,336,374,840 and Kshs.2,174,669,488 respectively, resulting to undrawn balance of Kshs.2,161,705,352. This was contrary to Section 3.03 of the Loan Agreement which states that "the borrower shall pay a commitment charge at the rate of one half of one percent (0.5%) per annum on the undisbursed portion of the Loan which shall begin to accrue one hundred and twenty (120) days after the date of signature of this Agreement".

In the circumstances, Management was in breach of the loan agreement.

The audit was conducted in accordance with ISSAIs 3000 and 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 2315 and 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Conclusion

As required by African Development Fund, I report based on my audit that 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:

- i. Information given in the Management report on pages iv to xxviii is consistent with the financial statements;
- ii. Adequate accounting records have been kept by the Project, so far as appears from the examination of those records; and
- iii. The Project's financial statements are in agreement with the accounting records and returns.

Basis for Conclusion

The African Development Fund requires that I report on the legal or regulatory requirements, or on performance information disclosed. These matters require expressing a separate opinion as to the Project's compliance with laws and regulations. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

The 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

Report of the Auditor-General on Support to Technical and Vocational Education Training and Entrepreneurship (TVETE Project Phase III) (Loan No. 2100150042254) for the year ended 30 June, 2025 - State Department for Technical, Vocational Education and Training

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 Project'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.

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.

Those charged with governance are responsible for overseeing the Project'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 INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires 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 IFPP 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 also 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

30 September, 2025

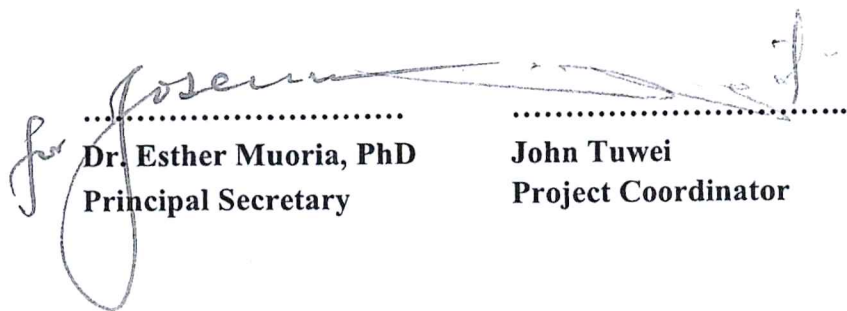
Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

Annual Report and Financial Statements for the financial year ended June 30, 2025


7. Statement of Financial Performance for the Year Ended 30th June 2025.

	Notes	2024/2025
		Kshs
Revenue		
Revenue Transfers	6	1,042,859,446
Total revenue		1,042,859,446
Expenses		
Use of goods and services	7	123,732,556
Other Transfers/Subsidies/Grants (Direct Payments)	8	919,126,890
Total expenses		1,042,859,446
Other gains/(losses)		
Gain/Loss on sale of assets		-
Gain/Loss on foreign exchange transactions		-
Impairment loss		-
Surplus/ (deficit)		-

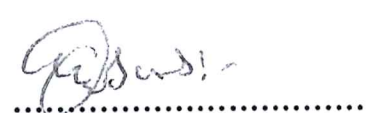
The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Dr. Esther Muoria, PhD
 Principal Secretary



John Tuwei
 Project Coordinator



Carolyne Nyambok
 Project Accountant
 ICPAK Member No:5875

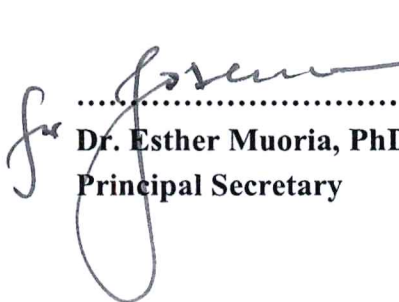
Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

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8. Statement of Financial Position as at 30th June 2025

	Note	2024/2025	1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Total Current Assets		-	-
Non-Current Assets			
Total Non- Current Assets		-	-
Total Assets (a)		-	-
Liabilities			
Current Liabilities			
Total Current Liabilities		-	-
Total Liabilities (b)		-	-
Net Assets (a-b)			
Represented By:			
Accumulated Surplus		-	-
Total Net Assets		-	-

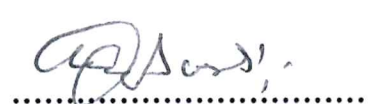
The financial statements were approved on 09/09/2025 and signed by:



Dr. Esther Muoria, PhD
Principal Secretary



John Tuwei
Project Coordinator



Carolyne Nyambok
Project Accountant
ICPAK Member No. 5875

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

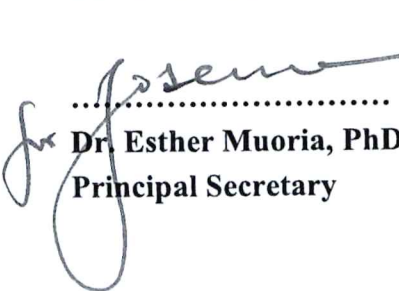
Annual Report and Financial Statements for the financial year ended June 30, 2025

9. Statement of Changes in Net Assets


Description	Accumulated Surplus
	Kshs
As at 30th June 2024 (Cash Basis)	-
Adjustments:	
Asset Recognition	-
Liabilities recognition	-
As at 1st July 2024	-
Surplus/(Deficit) for the year	-
As at 30th June 2025	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.


The financial statements were approved on 09/09 2025 and signed by:



Dr. Esther Muoria, PhD
Principal Secretary



John Tuwei
Project Coordinator



Carolyne Nyambok
Project Accountant
ICPAK Member No.5875

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

Annual Report and Financial Statements for the financial year ended June 30, 2025

10. Statement of Cashflow for the year ended 30th June 2025

Description	Note	2024/2025
		Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers	6	1,042,859,446
Total receipts		1,042,859,446
Payments		
Use of goods and services	7	123,732,556
Other Transfers/Subsidies/Grants	8	919,126,890
Total payments		1,042,859,446
Net cash flow from operating activities		-
Cashflow from investing activities		
Net cash flows from investing activities		-
Cash flow from financing activities		
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		-
Cash and cash equivalent at 1st July 2024		-
Cash and cash equivalent at end June 2025		-

*Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Revenue Transfers	1,040,000,000	39,426,626	1,079,426,626	1,042,859,446	36,567,180	97%
Total Revenue	1,040,000,000	39,426,626	1,079,426,626	1,042,859,446	36,567,180	97%
Payments						
Use of goods and services	140,000,000	(11,573,374)	128,426,626	123,732,556	4,694,070	96%
Other Transfers/Subsidies/Grants	900,000,000	51,000,000	951,000,000	919,126,890	31,873,110	97%
Total Payments	1,040,000,000	39,426,626	1,079,426,626	1,042,859,446	36,567,180	97%
Surplus	-	-	-	-	-	-

Budget notes

1. All the changes between the original and final budget for GoK counterpart was due to reallocations in supplementary budgets. The increase in budget by Kshs. 51,000,000 under the item 2640503 for direct payments by the donor (AfDB bank) was due to supplementary budget I, II and III.

12. Notes to the Financial Statements

1. General Information

The Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III) is established by and derives its authority and accountability from Loan agreement signed between the Republic of Kenya and the African Development Fund. The entity is domiciled in Kenya. The entity's principal activity is to improve employability and competitiveness of Kenyan youth through quality and relevant Technical Education and Entrepreneurship Training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

These financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the requirements of the International Public Sector Accounting Standards (IPSAS). The entity is a first-time adopter of accrual-basis IPSAS and has elected to apply the transitional provisions provided under IPSAS 33 – First-time Adoption of Accrual Basis IPSASs.

As such, these financial statements represent the entity's first year of transitional financial reporting. In accordance with IPSAS 33, the entity has taken advantage of the permitted three-year transitional period, during which certain assets and liabilities may not be recognized and/or measured in full compliance with accrual IPSAS.

Specifically, the entity has not yet recognized the following elements of the financial statements: Property, Plant and Equipment, inventories and Provisions

This is due to challenges in obtaining reliable historical cost data and developing necessary accounting systems and controls. The entity continues to apply previous accounting policies for these elements on a temporary basis, as permitted by IPSAS 33.

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The following steps are being taken to achieve full compliance by the end of the transitional period:

- Conducting comprehensive asset verification and valuation exercises
- Developing asset registers and inventory systems
- Implementing system upgrades to support accrual accounting
- Training staff in IPSAS-compliant recognition and measurement principles

The project expects to progressively recognize all outstanding elements in accordance with applicable IPSAS and to fully comply with accrual-basis IPSAS by end of third-year from initial adoption.

These financial statements were authorized for issue by the accounting officer on 8th August 2025

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued	<p>Applicable 1st January 2025</p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p>

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Standard	Effective date and impact:
Operations	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	<p><i>Applicable 1st January 2025</i></p> <p>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.</p>

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Standard	Effective date and impact:
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

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 47- Revenue	<p><i>Applicable 1st January 2026</i></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 entity 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	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer</p>

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Standard	Effective date and impact:
Expenses	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.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. 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. iii. Disclosures that identify and explain the amounts in the entity'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.

iii) Early adoption of standards

The Technical and Vocational Education Training and Entrepreneurship project (TVETE Phase III) did not early – adopt any new or amended standards in the financial year under review.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

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.

b) Budget information

The original budget for FY 2024/2025 was approved by the National Assembly in June 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 entity upon receiving the respective approvals to conclude the final budget. Accordingly, the Technical and Vocational Education Training and Entrepreneurship project (TVETE Phase III) recorded

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additional appropriations of Kshs. 39,426,626 on the FY 2024/2025 budget following the National assembly approval of the supplementary budgets. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

c) 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 Technical and Vocational Education Training and Entrepreneurship project (TVETE Phase III) 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.

Notes to the financial statements

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Technical and Vocational Education Training and Entrepreneurship project (TVETE Phase III). 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 project 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 Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

e) 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.

Notes to the financial statements

f) Research and development costs

The Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

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

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

g) 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. The project does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the project's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity 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.

Notes to the financial statements

Financial assets

Classification

The project 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 entity'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 entity 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 entity 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.

Notes to the financial statements

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 entity 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.

Notes to the financial statements

Impairment

The entity 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 entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

h) Inventories

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

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

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.

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Notes to the financial statements

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III).

i) Provisions

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

Notes to the financial statements

j) Nature and purpose of reserves

Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) does not create and maintain reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

The Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) 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.

m) 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.

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Notes to the financial statements

n) Related parties

The Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

o) Service concession arrangements

The Project 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 project 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

Service concession arrangements (continued)

that an asset has been recognized, the Project also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

p) 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.

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Notes to the financial statements

q) 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.

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

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

Useful lives and residual values

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

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

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Notes to the financial statements

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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Notes to the financial statements

6. Revenue Transfers

Description	FY 2024-2025
	KShs
Unconditional Transfers	
GoK Counter Part funding	123,732,556
Total Unconditional Transfers (a)	123,732,556
Conditional Transfers	
Transfers Direct payments Development partners - AfDB Bank	919,126,890
Total Conditional Transfers (b)	919,126,890
Total Transfers for the Year (a + b)	1,042,859,446

The purpose of funding was to cater for operational expenses and direct payments as scheduled in Annex 3(ii)

a) Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance	Amount deferred under deferred income.	Amount moved to Capital fund	Total transfers 2024/2025
	Kshs	Kshs	Kshs	Kshs
GOK Funding	123,732,556	-	-	123,732,556
Development Partner (AfDB Bank)	919,126,890	-	-	919,126,890
Subtotal	1,042,859,446	-	-	1,042,859,446
Total	1,042,859,446	-	-	1,042,859,446

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Notes to the financial statements

7. Use of Goods and Services

De scription	FY 2024/25
c	<u>Kshs</u>
Domestic travel and subsistence	17,719,700
Foreign Travel	3,186,675
Fuel and lubricants	9,998,946
General office supplies (papers, pencils, forms)	10,010,950
Printing, Advertising and Stationery and information supplies	2,092,561
Training payments	9,834,700
Other Operating Expenses - Consultancy Services	67,213,024
Hospitality	3,676,000
Total	123,732,556

8. Other Transfers/Subsidies/Grants – Direct Payments

Description	FY 2024/25
	<u>Kshs</u>
Other Capital Grants and Transfers (AfDB Direct Payments) for constructions, Consultancies, Training and Equipment	919,126,890
Total	919,126,890

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)

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9. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the *Entity*, holding 100% of the *Entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *Entity*, both domestic and external.

Other related parties include:

- i) The National Treasury

Description	FY 2024/2025
	Kshs
Transactions with related parties	
a) Grants /transfers from the government	
Grants from national govt (National Treasury)	123,732,556
Total	123,732,556

10. Events after the Reporting Period

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

11. Ultimate And Holding Entity

The Technical and Vocational Education Training and Youth Entrepreneurship project (TVETE Phase III) is under Ministry of Education. Its ultimate parent is the Government of Kenya.

12. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs

13. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
424.	<p>Low Absorption of Project Funds</p> <p>Paragraph 2.2 of the Project Information indicates that the Project was to be implemented within three and a half years from 11 January, 2021 to 30 June, 2025. Further, Paragraph 2.7 of the funding summary indicates that the donor made commitment of Euro 38,404,002 equivalent to Kshs.4,336,374,840. However, actual draw down as at 30 June, 2024 amounted to Euro 7,984,200 equivalent to Kshs.1,131,810,042 or 26% of the commitment resulting to Kshs.3,204,564,798 or 74% of undrawn funding. Due to the low absorption of funds, the Project's objectives may not be achieved as the implementation window is scheduled to end in one (1) year.</p>	<p>The undisbursed amount of Kshs.11,666,567 or 15% of the GoK counterpart funds was occasioned by the payment was processed upto Internet Banking platform but due to lack of exchequer funding it was not paid.</p> <p>The tenders that were supposed to be advertised were mostly equipment which were dependent on the completion of the construction works which are still ongoing so advertisement funds were not utilised during the year under review.</p>	<p>The absorption for the project funds is at 97% in the FY under review 2024/2025</p>	<p>FY 2025/2026</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>In addition, Management did not provide explanations for the delay in draw down of the funds.</p> <p>In the circumstances, the low absorption of funds affected the planned activities and may have impacted negatively on service delivery to the public.</p>			
425.	<p>Underfunding of the Government of Kenya Component</p> <p>The statement of receipts and payments reflects an amount of Kshs.68,333,433 in respect of receipts and payments controlled by the entity as disclosed in Note 1 to the financial statements. However, the approved estimates reflect an amount of Kshs.80,000,000, resulting to an undisbursed amount of Kshs.11,666,567 or 15% of the GoK counterpart funds. No explanation was provided for failure to disburse the approved allocation. This was contrary to Section 4.04 of the Loan Agreement between the Republic</p>	<p>The statement of receipts and payments reflects an amount of Kshs.68,333,433 in respect of receipts and payments controlled by the entity as disclosed in the underfunding or/and the under absorption of the GoK counterpart funds by an amount of Kshs.11,666,567 or 15% of the budget was due of lack of exchequer funding for purchase of project motor vehicle under (item 3110701).</p>	<p>In the FY 2024/2025 under review, there was GoK counterpart funds absorption of upto 96% of all the funds disbursed from the exchequer</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>of Kenya and the African Development Fund which stipulates that the Borrower shall make appropriations in its annual budgets for its counterpart contribution, with the first appropriation being made no later than fiscal year 2020/2021.</p> <p>In the circumstances, the objectives of the Programme may not be realized within the planned timeframe.</p>	<p>The payment was processed upto Internet Banking platform but due to lack of exchequer funding it was not paid in IFMIS</p> <p>The tenders that were supposed to be advertised were mostly equipment which were dependent on the completion of the construction works. Therefore, they could not be advertised as the buildings were still incomplete.</p>		
426.	<p>Unresolved Prior Year Matters</p> <p>In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management</p>	<p>The reports are before the Parliamentary Accounts Committee for deliberations and recommendations on how the issues should be resolved. The Management confirms that the PAC</p>	Not resolved	FY 2025/2026

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Annual Report and Financial Statements for the financial year ended June 30, 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	had not resolved the issues or given any explanation for failure to implement the recommendations.	recommendations will be implemented as soon as the report has been issued. The report was tabled and discussed in April 2025 so the management is waiting for the PAC recommendations for implementation.		
427.	<p>Failure to Open Project Bank Account</p> <p>Management did not open a Project bank account for the GoK counterpart funds. This is contrary to Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015 which stipulates that for the purpose of disbursement of project funds, there shall be opened and maintained a project account for every project at Central Bank of Kenya unless it is exempted by the Cabinet Secretary, in writing, into which all</p>	<p>The project shares development cash book and bank account with the State Department for Vocational and Technical Training. The exchequers come in bulk and are captured in the IFMIS Accounts Receivables Module and subsequently recorded in the development cashbook.</p> <p>The Management has since</p>	Not Resolved	FY 2025/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	funds shall be kept and such an account shall be known by the name of the project for which it is opened and each project shall maintain only one bank account. In the circumstances, Management was in breach of the law.	written to The National Treasury to request for authority to open a project dedicated bank account at the Central Bank of Kenya.		
428.	<p>Unauthorized Over Expenditure</p> <p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.780,000,000 and Kshs.958,638,946 respectively, resulting to overfunding by Kshs.178,638,946. Similarly, the Project spent Kshs.956,638,946 against budgeted expenditure of Kshs.780,000,000 resulting to an over-expenditure of Kshs.178,638,946 or 23% of the budget. This was contrary to Regulation 31(2)(d) of the Public Finance Management (National Government) Regulations, 2015 which stipulates that the Accounting Officer is responsible, in</p>	The Regulation 31 (2) of the Public Finance Management (National Government) Regulations, 2015 stipulates that the Accounting Officer is responsible, in particular for ensuring that - (a) all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year; (d) the requisite authority has been obtained, where necessary, before	Not Resolved	FY 2025/2026

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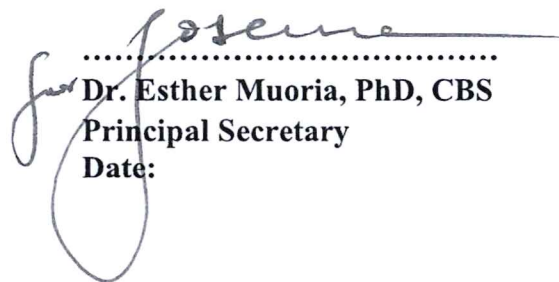
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>ensuring that the requisite authority has been obtained, where necessary, before provision is made in the estimates. Although Management explained that the expenditure was adjusted by an amount of Kshs.200,000,000, no justifiable reason was provided for the budget cuts which led to an unexplained over-expenditure. In the circumstances, Management was in breach of the law.</p>	<p>provision is made in the estimates.</p> <p>The direct payments' expenditure item of other capital grants and transfers (2640503) there was an over expenditure that was occasioned by the supplementary II budget cuts of Kshs.200,000,000 that was discussed by the parliamentary budget committee on 15/06/2024 and approved two weeks thereafter. By this time the direct expenditures had already been processed and paid by the ADF Bank. The budget line cut of Kshs. 200,000,000 reduced the original approved line budget of Kshs.900,000,000 to</p>		

**Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)
Annual Report and Financial Statements for the financial year ended June 30, 2025**


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Kshs.700,000,000 against an expenditure of Kshs.890,305,513.		
429.	<p>Failure to Issue Notifications for Exchequer Issues</p> <p>The statement of receipts and payments reflects transfers from Government entities amount of Kshs.68,333,433 as disclosed in Note 1 to the financial statements. However, no notification from The National Treasury indicating the amount disbursed for the Project or itemized Exchequer issuance notification of the specific monies for the Project was provided for audit. It was observed that all monies were channelled through development bank account of the State Department for Technical, Vocational Education and Training without details. Further, the Project Management did not raise receipt vouchers to confirm actual receipts of funds.</p>	<p>The GoK exchequer receipts have since been supported with respective development exchequer issue notifications from The National Treasury and F.O 17 vouchers confirming the receipt of the funds. Currently the project shares development cash book and bank account with the State Department for Technical, Vocational Education and Training.</p> <p>The Management has since written to The National Treasury to request for authority to open a project dedicated bank account at the</p>	Not Resolved	FY 2025/2026

Technical and Vocational Education Training and Entrepreneurship Project (TVETE Phase III)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	In the circumstances, the effectiveness of internal controls on Exchequer issuances could not be confirmed	Central Bank of Kenya.		



Dr. Esther Muoria, PhD, CBS
Principal Secretary
Date:



John Tuwei
Project Coordinator
Date:

Annex 2: Other Support Documents

- i. Trial Balance as at 30th June 2025
- ii. Direct payments schedule for the FY 2024/2025

Trial Balance for GoK-AfDB Technical, Vocational Education Training & Entrepreneurship Project (TVETE Phase III) as at 30th June 2025

Annex 4(i)	Description	Debit(Kshs)	Credit(Kshs)
	GoK Exchequer receipts 2024/2025		123,810,956
	Borrowing from International Organizations loan receipts		919,126,890
	Accommodation - Domestic Travel	17,719,700	
	Foreign travel and subs - others	3,186,675	
	Advertising, Awareness and Publicity Campaigns	2,092,561	
	Remuneration of Instructors and Contract Based Training Services	9,913,100	
	Boards, Committees, Conferences and Seminars	3,676,000	
	General Office Supplies (papers, pencils, forms, small office equipment etc)	10,010,950	
	Refined Fuels and Lubricants for Transport	9,998,946	
	Contracted Professional Services	67,213,024	
	Other Capital Grants and Transfers (Direct Payments)	919,126,890	
	Total	1,042,937,846	1,042,937,846

**Technical and Vocational Education Training Entrepreneurship Project(TVETE PHASE III)
Project (GoK/AfDB TVETE Project-Phase III) Direct payments Schedule FY 2024-2025
For the period ended 30 June 2025**

S/NO	INSTITUTION	PURPOSE	PAYEE/CONTRACTOR/SUPPLIER	Amount payable in donor currency(Eur)	EXCHANGE RATE	AMOUNT PAID(KSHS.)
1	M/S TECHNICAL UNIVERSITY OF MOMBASA		M/S TECHNICAL UNIVERSITY OF MOMBASA	30,779.25	141.63	4,359,265.00
2	SIALA TTI	CONSTRUCTION OF HOSPITALITY BLOCK	M/S JN INVESTMENTS LIMITED	109,164.88	142.27	15,530,887.15
3	SIAYA TTI	CIVIL AND ENGEERING WORKSHOP	M/S CHAJU BULDERS LIMITED	46,143.94	147.51	6,806,692.25
4	ST JOSEPH'S NYANGO'MA TTID	HOSPITALITY BLOCK	M/S CHAJU BULDERS LIMITED	78,412.69	142.27	11,155,773.40
5	BUMBE TTI	HOSTEL BLOCK	M/S LINTON CIVIL ENGINEERING LIMITED	57,512.86	141.63	8,145,545.65
6	GODOMA TTI	HOSTEL BLOCK	M/S STARTERS INVESTMENTS LIMITED	87,226.89	141.63	12,353,944.70
7	BUTERE TECHNICAL TRAINING	HOSTEL BLOCK	M/S PECAR INVESTMENTS LIMITED	90,382.13	141.63	12,800,821.00
8	CHEPALUNGU TECHNICAL AND VOCATIONAL	HOSPITALITY TRAINING EQUIPMENT	M/S GRAIDCO	109,501.78	171.75	18,807,313.95
9	ELWAK TECHNICAL AND VOCATIONAL & WAJIR TECHNICAL TRAINING	AUTOMOTIVE ENGINEERING TRAINING EQUIPMENT & ELECTRIC AND ELECTRONICS	DEVOTRA	259,726.41	171.75	44,608,919.95
10	KAMUKUNJI TVC	INCUBATION WORKSHOP	M/S BAYKAL LIMITED	34,856.34	138.03	4,811,220.85
11	LAISAMIS TTI	HOSTEL BLOCK	M/S KINDE ENGINEERING WORKS LIMITED	46,875.49	142.27	6,668,976.50
12	MACHAKOS TTIB	RENOVATION OF LEATHER TANNERY WORKSHOP	M/S MANGWAYAS INVESTMENTS LIMITED	28,430.03	141.63	4,026,545.55
13	WAJIR TTI	HOSTEL BLOCK	M/S ASHABITU CONSTRUCTION COMPANY	115,150.45	141.63	16,308,758.50
14	WUMINGU TVC	HOSTEL BLOCK	M/S BETTODS INVESTMENT LIMITED	71,069.61	142.27	10,111,072.70
15	SIKRI TTIDB	HOSPITALITY BLOCK	M/S PUNJANI ELECTRICAL AND INDUSTRIAL HARDWARE LIMITED	102,272.09	142.27	14,550,250.75
16	KAPCHEKOR TVC	HOTEL BLOCKS	M/S BILASHAKA INVESTMENT LIMITED	71,350.19	142.27	10,150,990.95
17	MACHAKOS TTIB	HOSPITALITY BLOCK	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD	60,431.25	142.27	8,597,553.70
18	NTTI	PRINTING AND PUBLISHING COMPLEX	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD	232,275.75	142.27	33,045,871.15
19	BURETI TTI	HOSPITALITY BLOCK	M/S UNIFIED STRUCTURES LIMITED	139,925.50	136.25	19,064,849.95
20	MUKURWEINI TTI	MECHANICAL ENGINEERING BLOCK	M/S JEDY GENERAL CONTRACTORS LIMITED	81,754.02	136.25	11,138,985.25
21	GODOMA TTI	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	45,733.71	136.80	6,256,370.95
22	ST. JOSPHS NYANGOMA TTID	HOSPITALITY BLOCK	M/S CHAJU BUILDERS LIMITED	162,389.47	137.40	22,312,312.50
23	SIAYA TTI	CIVIL ENGINEERING BLOCK	M/S CHAJU BUILDERS LIMITED	88,709.13	136.25	12,086,618.55
24	ALDAI TTI	AUTOMOTIVE WORKSHOP	M/S EPCO BUILDERS LIMITED	116,323.44	136.25	15,849,068.20

25	TSEIKURU TT	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	54,445.51	136.25	7,418,200.45
26	WANGARI MATHAI INSTITUTE OF PEACE & ENVIRONMENTAL STUDIES	ICT EQUIPMENT	M/S LEVIN SERICES	356,623.49	134.34	47,907,253.70
27	KAREN TTID	HOSPITALITY BLOCK	M/S KINDE ENGINEERING WORKS LTD	67,337.61	136.31	9,178,789.75
28	KAMUKUNJI TVC	INCUBATION WORKSHOP	M/S BAYKAL LIMITED	24,488.94	136.69	3,347,393.80
29	NTTI	PRINTING AND PUBLISHING COMPLEX	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD	217,775.69	136.31	29,684,922.25
30	ELWAK TECHNICAL AND VOCATIONAL	AUTOMOTIVE ENGINEERING TRAINING EQUIPMENT	DEVOTRA	389,589.61	133.95	52,185,528.25
31	CHEPALUNGU TVC	HOSPITALITY TRAINING EQUIPMENT	M/S GRAIDCO	164,252.67	133.34	21,901,516.70
32	WUMINGU TVC	HOSTEL BLOCK	M/S BETTODS INVESTMENT LIMITED	59,565.47	135.71	8,083,629.60
33	KAREN TTID	HOSPITALITY BLOCK	M/S KINDE ENGINEERING WORKS LTD	66,545.27	135.71	9,030,859.05
34	KICC	CONFERENCING SERVICES TO PROMOTE RECOGNITION OF PRIOR LEARNING POLICY (RPL)	M/S KENYATTA INTERNATIONAL CONVENTION CENTRE (KICC)		139.58	8,253,311.10
35	ALDAI TTI	AUTOMOTIVE WORKSHOP	M/S EPCO BUILDERS LIMITED	202,682.49	139.58	28,291,190.35
36	TSEIKURU TT	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	43,513.75	139.58	6,073,813.85
37	GODOMA TTI	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	35,963.44	139.59	5,019,958.45
38	WAJIR TTI	HOSTEL BLOCK	M/S ASHABITU CONSTRUCTION COMPANY	46,157.91	147.33	6,800,445.00
39	BUTERE TECHNICAL TRAINING	HOSTEL BLOCK	M/S PECAR INVESTMENTS LIMITED	58,102.11	139.58	8,110,113.05
40	KAPCHEKOR TVC	HOTEL BLOCKS	M/S BILASHAKA INVESTMENT LIMITED	116,750.19	139.58	16,296,433.95
41	KAMUKUNJI TVC	INCUBATION WORKSHOP	M/S BAYKAL LIMITED	27,977.64	143.67	4,019,547.70
42	NTTI	PRINTING AND PUBLISHING COMPLEX	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD	185,851.22	141.03	26,210,677.65
43	TUK	UPSKILLING OF TVET TRAINERS TO DEGREE LEVEL	TECHNICAL UNIVERSITY OF KENYA	23,166.59	143.60	3,326,807.50
44	CHEMASIRI TVC,ELBURGON TVC,EMGWEN TVC AND TURKANA TVC	BUILDING AND CIVIL ENGINEERING EQUIPMENT	M/S LEVIN SERVICES	361,992.59	147.67	53,455,445.15
45	ELDORET NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	ELDORET NATIONAL POLYTECHNIC	18,284.01	147.67	2,700,000.00
46	MS KISII NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	MS KISII NATIONAL POLYTECHNIC	11,926.85	150.92	1,800,000.00
47	KISUMU NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	KISUMU NATIONAL POLYTECHNIC	11,926.65	150.92	1,800,000.00
48	SIKRI TTIDB	HOSPITALITY BLOCK	M/S PUNJANI ELECTRICAL AND INDUSTRIAL HARDWARE LIMITED	235,126.32	146.63	34,476,573.00
49	BURETI TTI	HOSPITALITY BLOCK	M/S UNIFIED STRUCTURES LIMITED	126,353.09	146.21	18,474,085.65

50	M/S DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY	UPSKILLING OF TVET TRAINERS TO DEGREE LEVEL	M/S DEDAN KIMATHI UNIVERSITY OF TECHNOLOGY	134,249.77	148.76	19,970,850.00
51	BUMBE TTI	HOSTEL BLOCK	M/S LINTON CIVIL ENGINEERING LIMITED	43,917.51	146.21	6,421,179.85
52	KAREN TTID	HOSPITALITY BLOCK	M/S KINDE ENGINEERING WORKS LIMITED	50,967.96	146.63	7,473,431.85
53	PC KINYANJUI TTI	INCUBATION WORKSHOP	MAPERI CONTRACTORS LIMITED	54,619.25	151.04	8,249,692.10
54	MACHAKOS TTIB	RENOVATION OF LEATHER TANNERY WORKSHOP	M/S MANGWAYAS INVESTMENTS LIMITED		151.04	11,874,995.60
55	M/S KENYA SCHOOL OF TVET	PROVISION OF CONSULTANCY SERVICE TO TRAIN TRAINER OF TRAINERS ON CBET	M/S KENYA SCHOOL OF TVET	236,660.03	151.04	35,042,250.00
56	GODOMA TTI	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	43,067.75	151.04	6,504,952.75
57	KAMUKUNJI TVC	INCUBATION WORKSHOP	M/S BAYKAL LIMITED	45,025.08	151.04	6,800,587.90
58	NTTI	PRINTING AND PUBLISHING COMPLEX	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD	144,950.59	151.04	21,893,336.80
59	LIMURU TVC	MECHANICAL ENGINEERING EQUIPMENT	M/S CONCORDIA BUILDING AND CIVIL ENGINEERING LTD		151.04	12,820,564.95
60	WUMINGU TVC	HOSTEL BLOCK	M/S BETTODS INVESTMENT LIMITED	62,275.08	151.04	9,406,027.50
61	TSEIKURU TT	HOSTEL BLOCK	M/S STARTERS INVESTMENT LIMITED	33,223.66	151.04	5,018,101.45
62	MUKURWEINI TTI	MECHANICAL ENGINEERING BLOCK	M/S JEDY GENERAL CONTRACTORS LIMITED	42,001.29	151.04	6,343,875.25
63	KAPCHEKOR TVC	HOTEL BLOCKS	M/S BILASHAKA INVESTMENT LIMITED	32,561.99	151.04	4,918,163.60
64	KITALE NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	KITALE NATIONAL POLYTECHNIC	17,018.98	151.04	2,520,000.00
65	MERU NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	MERU NATIONAL POLYTECHNIC	11,911.06	151.12	1,800,000.00
66	NYERI NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	NYERI NATIONAL POLYTECHNIC	14,888.83	151.12	2,250,000.00
68	SIGALAGALA NATIONAL POLYTECHNIC	PRIOR LEARNING (RPL) COMPETENCY BASED ASSESSMENT(CBA)	SIGALAGALA NATIONAL POLYTECHNIC	11,911.06	151.12	1,800,000.00
69	LAISAMIS TTI	HOSTEL BLOCK	KINDE ENGINEERING WORKS LIMITED	31,533.62	146.63	4,623,775.05
					TOTAL	919,126,889.70