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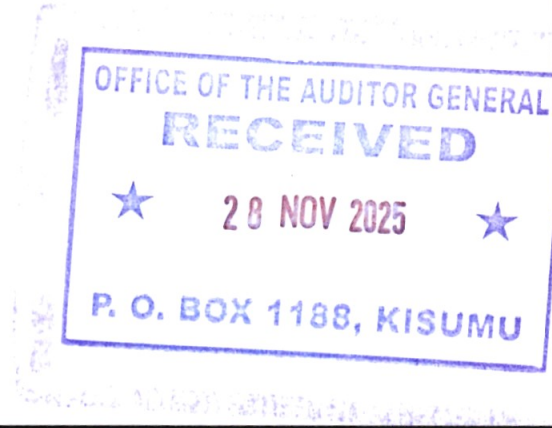
OF

THE AUDITOR-GENERAL

ON

RARIEDA TECHNICAL AND VOCATIONAL
COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025



RARIEDA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

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

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I. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Rarieda TVC's financial resources.

Comparative Year- Means the prior period.

2. KEY RARIEDA TVC INFORMATION AND MANAGEMENT

(a) Background information

The Rarieda TVC was established in 2023 by the Ministry of Education, State Department for Technical and Vocational College under the TVET Act 2013. The Rarieda TVC is domiciled in Siaya County, Rarieda Sub – County, Kenya.

The institution has seven academic departments. These include:

- i. Electrical and Electrical department
- ii. Institutional Management Department
- iii. Liberal Studies department
- iv. Building and Civil Engineering Department
- v. Mechanical and Automotive Department
- vi. Business department
- vii. General Agriculture Department

(b) Principal Activities

The Principal mandate of Rarieda TVC is to offer Technical and Business Training.

Vision

To be a world class institution in the provision of Technical, Vocational, entrepreneurial Training and Research.

Mission

To Provide High Quality Technical, Vocational, Entrepreneurial Training, Research and Innovation in Partnership with Stakeholders to produce globally competitive Graduates.

Core values

Professionalism

Integrity

Transparency and Accountability

Team Work

Equity and Fairness

Environmental Stewardship

(c) **Key Management**

Rarieda TVC's day-to-day management is under the following key organs:

- Board of Governors
- Principal
- Deputy principal Administration
- Deputy principal Academics
- Registrar
- Dean of Students

(d) **Fiduciary Management**

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

SN.	Designation	Name
1.	Principal	Mrs. Elizabeth Okullu
2.	Deputy Principal Administration	Dr. Samwel Obalah
3	Deputy Principal Academics	Ms. Lilian Kombo
4	Registrar	Mr. Duncan Ojowi
5	Dean of Students	Mr. Tonny Okundi
6	Head of Finance	Ms. Alice Owade
7	Head of Procurement	Mr. David Otigo

(e) **Fiduciary Oversight Arrangements**

The institution has various oversight committees, such as:

- i. **Audit and Risk Management committee** - This Committee is charged with the responsibility of ensuring the proper functioning and statutory compliance in the execution of the functions of the college. This duty is performed by the internal auditor in conjunction with the Board of Governors Audit and Research Committee.

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- ii. **Finance Infrastructure, Planning and HR Committee** – This committee is responsible for the supervision of College Budget preparation, preparation and review of finance policy, compilation of financial reports and financial advice to the management of the college.

 - iii. **Education, Research, Training, and Publicity Committee (ERT&P) Committee** -The function of this committee is to ensure compliance and achievement of the core mandate of the college that is, training. This committee also coordinates the preparation of the academic policies and internal quality assurance policy.
-
- (f) **Rarieda TVC Headquarters**
P.O. Box 77
Bondo - Lwak Road
40611- Nyilima, KENYA
 - (g) **Rarieda TVC Contacts**
Telephone: (254) 759622279
E-mail: rariedatvc@gmail.com
 - (h) **Rarieda TVC Bankers**
Rarieda Technical and Vocational
Kenya Commercial Bank
1303070405
Kisumu Airport, Branch
 - (i) **Independent Auditors**
Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

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(j) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue



P.O. Box 40112

City Square 00200

Nairobi, Kenya

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3.THE BOARD OF GOVERNORS

BOG's passport-size photo and Name.	Board of Governors Date of Birth, key qualifications and work experience.
 <p>1. Eng. Stephen Auma Board Chairman</p>	<p>DOB: 10th July, 1962</p> <p>Qualification: BSc. Mechanical Engineering</p> <p>Work Experience: Principal/Mechanical Engineer - M/s Quadrant Engineering Consultants Ltd</p>
 <p>2. Mrs. Elizabeth A.O. Okullu Principal/BOG Secretary</p>	<p>DOB 17th OCT 1968</p> <p>Qualifications: Master of Education in Leadership and Management</p> <p>Other Qualifications Strategic Leadership and Development Programme at Kenya School of Government Senior Management Course at Kenya School of Government</p> <p>WORK EXPERIENCE Currently Principal Rarieda Technical and Vocational College – May 2025 to date Principal Ugenya Technical and Vocational College – Dec 2020 to May 2025 Deputy Principal Bondo Technical Training Institute – 2018 - 2020 Registrar Bondo Technical Training Institute 2016 - 2018 Dean Of Student The Kisumu National Polytechnic – 2015 - 2016 Assistant Dean Of Students' The Kisumu National Polytechnic 2012 - 2015 Head of Guidance and Counselling The Kisumu National Polytechnic 2010 -2012 Assistant H.O.D Guidance and Counselling The Kisumu National Polytechnic 2008 - 2010 Secretary of Ethics and Anti-corruption Committee The Kisumu National Polytechnic 2008 -2012 Research and Innovation Committee member The Kisumu National Polytechnic 2008 -2013 Quality Assurance Committee Member 2010 – 2012</p>

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3. Dr. Paul Saoke
Chairperson - Education, Training,
Research and Publicity Committee

DOB: 25th July, 1961

Academic Qualification:

Work Experience:

A leading consultant in Health and Environment, Chemicals, Health and HIV/AIDS impact analyst.



4. Ms. Rodah Miso
Chairperson - Audit and Risk
Management Committee

DOB: 10th June, 1984

Academic Qualification:

Bachelor of Business Administration (Accounting Option)

Work Experience:

Entrepreneur



5. Mr. Peterson Morara

DOB: 20th February 1973

Academic Qualification:

Degree in Business Administration

Masters in Strategic Management – PUEA.

Work Experience:

Bank Branch Manager

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<p>Chairperson - Finance, Infrastructure and Human Resource Committee</p>	
 <p>6. Ms. Grace Adera Board Member</p>	<p>DOB:8th December,1955 Academic Qualification: Bachelor of Laws Work Experience: Practicing Lawyer</p>
 <p>7. Mr. Okumu Makagola Board Member</p>	<p>DOB:21st June,1954 Academic Qualification: Master of Philosophy in Food Technology BSc. in Biological Sciences Work Experience: Consultant in Fish Technology and other related natural resources.</p>
 <p>8. Eng. Bob Odawa Board Member</p>	<p>DOB:29th April,1951 Academic Qualification: BSc. Mechanical Engineering Work Experience: Consulting Engineer in Building Services Board Member SIBOWASCO water Company in Siaya County.</p>

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9. Allan Malachi Okatch
Board Member - Governor's
Representative

DOB: 8th January, 1959

Academic Qualification:

BSc Agriculture

Work Experience:

Agripreneur



10. Mr. John Wamae
BOG Member/C.S. Rep.

DOB: 27th September, 1969

Qualifications:

Msc Applied statistics

Bsc Maths and Computer Science

Post Graduate Diploma in Education

Work Experience:




Worked with Teachers Service Commission as a Teacher

Quality Assurance and Standards Officer for TVET




County Director for TVET Kisumu – To Date

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4. KEY MANAGEMENT TEAM

SN.	Member	Details
1.	 Mrs. Elizabeth Okullu Masters of Education in Leadership and Management.	Principal Chief Executive Officer/Principal is responsible for the day to day operations at the college
2.	 Dr. Samwel Obalah Ph.D. Entrepreneurship Management MBA. Entrepreneurship BEd. Arts (Business With IT)	Deputy Principal Administration <ol style="list-style-type: none"> 1. The Principal assistant to the Principal and takes charge of all institutions' administration in the absence of the principal 2. Maintain trainees discipline 3. Supervises and maintain proper inventory (Equipment and supplies)
3.	 Ms. Lilian Kombo	Deputy Principal Academic <ol style="list-style-type: none"> 1. The Principal assistant to the Principal and takes charge 2. Maintains trainees' discipline 3. Supervises implementation of academic programs of curriculum implementation

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4.	 <p>Mr. Duncan Ojowi BSc. Manufacturing Engineering and Technology</p>	<p>Registrar</p> <ol style="list-style-type: none"> 1. Responsible for management of trainees' information on enrolment, registration, attendance, academic results, assessment and graduation. 2. Advising trainees on available career and sponsorship options 3. Coordinates institutions learning and marketing programs.
5.	 <p>Mr. Tonney Okundi BSc. Agriculture</p>	<p>Dean Of Students</p> <ol style="list-style-type: none"> 1. In charge of administration and enforcement of college policies relating to trainees' affairs and discipline, addressing questions and concerns by managing their budget for their activities, coordinating their housing, health and extra-curricular services. 2. Updating all relevant students' resources & coordinating all non-academic student related programs.
6.	 <p>Ms. Alice Owade BSc. Business Administration (Finance Option) CPA Part 2</p>	<p>Finance Officer</p> <ol style="list-style-type: none"> 1. Reconciliation of trainee's fees records and issuing of fee statements to trainees 2. Filing of accounting documents 3. Receiving college revenues and issuing receipts 4. Processing of payment vouchers 5. Bank reconciliations and maintenance of cash book 6. Preparation of final accounts and reports/statements and Payroll processing and payment of statutory deductions

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	 <p>Mr. David Otigo Bachelor of Procurement and Supply Chain Management.</p>	<p>Procurement Officer</p> <ol style="list-style-type: none">1. Preparation of purchase orders2. Schedule deliveries for supplies, goods and services.3. Provision of support in drafting tender inquiries/ documents4. Keep procurement records and reports on supply costs5. Update the supplier register to quick procurement of goods and services6. Attend to purchase enquiries across the departments to ensure they are well informed of procurement progress7. Collect data on prices for goods, services to enhance cost management8. Develop and implement the institution procurement plan to ensure availability of required goods and services at all time according to the institution requirement and strategies.
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5. CHAIRMAN'S STATEMENT

The college was launched in January, 2023. The Board of Governors (BOG) were duly appointed on 21st September, 2023, inaugurated on 21st November, 2023 and inducted on 18th February, 2024 in line with the TVET ACT NO. 29 of 2013. Board of Governors comprise ten members including the Principal and the County Director TVET: who is the representative of the Principal Secretary, State department for Technical, Vocational Education and Training.

The Board of RariedaTVC is established pursuant to the provision of TVET ACT No 29 of 2013 and mandated to: Oversee conduct of education and training, promote and maintain standards, quality and relevance; Administer and manage college property; Develop and implement the strategic plan; Prepare annual estimates of revenue and expenditure and incur expenditure on behalf of the institution; on behalf of the institution receive fees, grant, subscriptions, donations, bequests or other monies and make disbursements to the college or other bodies or persons determine the fees payable prescribing the condition under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of the TVET ACT No 29 of 2013. Pursuant to the provisions of TVET ACT 29 of 2013 which empowers the Board as the governing organ to "set up such committees as may be appropriate, three committees: The Finance Infrastructure Planning & Human Resource (FIP&HR), Education, Research , Training & Publicity (ERT &P) and Audit and Risk Management (ARM) committees were operational during this financial year 2024-2025. The ten board members are divided into three sub committees under the chairmanship of Eng. Stephen Auma as follows;

FIP&HR COMMIITTEE

1. Mr. Peterson Morara (Chairman).
2. Dr. Paul Saoke
3. Eng. Bob Eric Odawa

ERT&P COMMIITTEE

- 1.Dr. Paul Saoke (Chairman)
- 2 .Mr. Okumu MacOgola
- 3.Mrs Grace Adera
- 4.Mr John Wamae

ARM COMMITEE.

1. Ms Rhoda Misoi
(Chairperson)
2. Ms Mercy Ondigo Secretary
and Internal Auditor
3. Mr. Allan Malachi Okach
4. Mr. Okumu MacOgola
5. Mr. John Wamae

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The principal is the secretary to all the BOG committee meetings except for the ARM committee where the Internal Auditor is the secretary.

The Board approved the FY 2024/2025 budget. It was aligned to the Strategic Plan. During the year ending 30th June 2025, the BOG ensured compliance with all of the relevant statutory and regulatory bodies. The Board has approved strategic plan that runs from 2024 to 2028. The strategic plan was developed in line with Kenya vision 2030, the Constitution of Kenya 2010, The Bottom-up Economic Transformative Agenda among other legal documents. The methodology and framework of the Strategic Plan was guide by TVET Act 2013, Ministerial strategic plans and Stakeholders analysis.

On human resource matters, the college had 16 Public Service Commission (PSC) trainers. In order to cater for the deficit during the year, several other trainers were contracted on BOG terms in total the Board has recruited 44 Trainers. Non-teaching staff are 15 - employed by the board.

On partnership, collaboration and linkages, the Board has signed Memorandum of Understanding with Green Zone Kenya with a view to enhancing academic programs in Rarieda TVC.

In the financial Year that ended 2024 – 2025, the college received a new principal Mrs Elizabeth Okullu who had been deployed from Ugenya TVC to take over from Mrs Linda Ayuku who was deployed as principal to Ugenya TVC.

On infrastructure;

The college received 10,000,000.00 from the government for the construction of hospitality complex. It is worth noting that the college had proposed funds for the complex amounting to 50,000,000.00. The project is work in progress. The college also built six temporary classes to address the issue of shortage of classes and procured office and classroom furniture. The college also was privileged to have the borehole drilled courtesy of the First lady of the constituency. Jitume laboratory was established and it has 100 computers. This was a government initiative to assist the youth within the community get on line jobs. The board signed an engagement framework between State Department for Housing and Urban Development and Affordable Housing Board for implementation of construction of hostels. If implemented, it will go a long way in securing accommodation for trainees hence trainees' enrolment shall be increased.

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On funding

The following details summarizes the funding as received:

1. In FY 2024 - 2025 Q1 capitation grant which was received on 7/10/24 for 175 trainees, worth Kshs 717,500.00 @ Kshs 4,100.00 instead of Kshs.7, 500 created a deficit of Kshs 3,400.00 per student amounting to 595,000.00.
2. In FY 2024 – 2025 Q2,3 &4 were combined capitation grant which was received on 14/02/2025, worth Kshs 2,262,000.00 @ 13,000.00 for 174 trainees instead of Kshs 7,500.00 created a deficit amounting to 1,305,000.00.

CHALLENGES

The major challenge that the institution faced was late, inadequate and inconsistent disbursement of the government capitation grant and scholarship grant to meet its budgetary obligation. Given the exponential growth/enrolment and financial status of the institution, the BOG surveyed other sources of resource mobilization by successfully appealing to the Rarieda CDF through the Honorable Member of Parliament. Currently, the management is developing fee management policy to address the issue of parental obligation and also coming up with proposals for income generating activities that could cushion the institution during financial crisis.

As a way of ensuring quality service delivery and performance management, the board ensured that the college participates in performance contracting for the first time. In this regard, the college was roped into the 22nd Cycle Performance Contract (PC). Negotiation was done on 5th August, 2025. Vetting is yet to be done. The Board also prepared an approved an almanac to ensure meetings are held on a quarterly basis. The BOG commits to continue partnering with all other relevant stakeholders as a way of supporting the management in offering top notch training and become the centre of excellence as envisioned in the mission and vision of this college.

Finally, the board also appeals to the relevant government agencies release funds in good time to enhance quality service delivery.

Sign  _____

Date: 27/11/2025

Chairman of the Board

6. REPORT OF THE PRINCIPAL

Rarieda Technical and Vocational College is a growing public Technical and Vocational institution in its second year of operation. It was launched in January, 2023. The new Board of Governors (BOG) were nominated on 25/4/23 duly appointed on 21st September, 2023. Inauguration was done on 21st November, 2023, and induction done on 18th February, 2024 in line with the TVET ACT NO. 29 of 2013. Board of Governors comprise of ten members including the Principal and the County Director TVET: who is the representative of the Principal Secretary.

The institution has developed a number of policies which have been approved by the Board. It being a fairly new college, structures, policies, procedures and processes have been aligned with the change of curriculum, emerging issues and with the policies of the government of the day. They are also aligned to Sustainable Development Goals, BETA and Vision 2030 and Strategic Plan.

The college had a lean non-teaching staff (15). The Government through the Public Service Commission had posted sixteen trainers. Given that the college faced serious human personnel in training, the Board recruited 44 trainers.

The college has implemented the Competency Based Education Training (CBET) across all departments and modularised all courses as per the directive given by the Ministry. Dual program is on-going in three special areas – Hairdressing, Community Health and Automotive Engineering. Plans are under way to on board more courses and industries. The management is continuously linking academia with industry by developing linkages with sister institutions and with several relevant industries for placement of students who on industrial attachment.

In an effort to comply with the Presidential and Ministerial directives on requirement for greening and beautification, increase forest cover, curb soil erosion the college planted 2,500 trees and hopes to plant 30,000 by 2032.

Assessment

In the financial that ended, the results for November series 2024 KNEC results posted 67.2% pass and CDACC posted 75%. Academic Departments had prepared new targets and recommendations to improve results.

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1 Funding Capitation Grant

3. In FY 2024 - 2025 Q1 capitation grant which was received on 7/10/24 for 175 trainees, worth Kshs 717,500.00 @ Kshs 4,100.00 instead of Kshs.7, 500 created a deficit of Kshs 3,400.00 per student amounting to 595,000.00.
4. In FY 2024 – 2025 Q2,3 &4 were combined capitation grant which was received on 14/02/2025, worth Kshs 2,262,000.00 @ 13,000.00 for 174 trainees instead of Kshs 7,500.00 created a deficit amounting to 1,305,000.00.

This low funding state was in form of:

- i. reduction in (poor) fees payment by parents and sponsors who had been promised capitation grant,
- ii. delayed and insufficient disbursement of Quarter 1,2,3 and 4 capitation grant
- iii. Lack of scholarship for the entire financial year.


As a result, the college could not meet its budgetary obligations forcing the Board to only finance the mandatory core activities. To address this, the college has come up with various production unit proposals and marketing strategies to ensure that college admits as many students as possible to boost its revenue base from the fees.

The following are some of the major challenges that the institution faced:

1. The institution's enrolment is growing tremendously thus overstressing infrastructural facilities.
2. Lack of adequate funds to meet the budgetary obligations required to match the fast-growing student enrolment.
3. Lack of three phase power supply to match the demand for power.
4. High wage bill due to recruitment of more trainers on BOG terms to cater for the trainer deficit.

The annual report FY 2024-2025 report is hereby presented as per the provisions of the relevant statutory and regulatory requirements.

Sign: _____



Principal/BOG Secretary



Date: 27/11/2025

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7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

The strategic focus of Rarieda Technical and Vocational College (TVC) aims to strengthen, mobilize, and lobby for financial resources to improve the revenue base and diversify funding sources, thereby offering quality training.

Strategies Employed by Rarieda TVC

- Improving All Revenue Bases
- Controlling Operational Costs
- Diversifying Sources of Funds

Rarieda TVC has identified five strategic pillars within its current Strategic Plan for FY 2024–2028. Rarieda TVC develops its annual work plans based on these pillars. The performance of the Board is assessed against its annual work plan on a quarterly basis. The institution is committed to achieving the performance targets set for the FY 2024–2028s period across its five strategic pillars, as indicated in the diagram below:

No	Strategic Focus Area	Strategic Objective	Strategies	Outcome
1	Quality delivery of Education Training and Research	To strengthen organizational systems for effective delivery in Science, Technology and Innovation.	<p>Develop necessary Scientific and Technological Infrastructure so as to improve on quality of RTVC Education and Training</p> <p>Establish adequate physical facilities to accommodate needs of an increasing student and staff population.</p> <p>Provide high quality education and training on technical and entrepreneurial skills to improve employability and self-employment opportunities for RTVC graduates.</p>	Qualified TVET graduates acceptable to the contemporary world of work and entrepreneurship
2	Financial Sustainability	To strengthen mobilization and	Improve revenue base	Financially stable institution

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No	Strategic Focus Area	Strategic Objective	Strategies	Outcome
		management of resource	Diversify sources of funds	
3	Science Technology and Innovation	To promote Science Technology and Innovation	Integrate ICT in management, learning and teaching program	Increased number of innovations in the line of Science and Technology
			Promote research activities	
			Enhance collaboration with the industry and commerce	
4	Institutional Capacity Development	To ensure human capacity development	Strengthen staff capacity	Significant improvement in the management performance of Rarieda Technical and Vocational College
			Sustain reward and sanction mechanism	
			Improve work environment	
5	Corporate Image	To Improve corporate image	Create linkages with the community to construct students hostels	Positive image
			Create linkages with the County Government and NGOs	

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8. Corporate Governance Statement

Corporate governance refers to mechanism, relations and processes by which a corporation is controlled and directed. It involves balancing the interests the stakeholders of a cooperation. Good cooperate governance practices are essential to the delivery of long term and sustainable stakeholder value. To strengthen accountability to build confidence among stakeholders. Rarieda Technical and Vocational College is committed to sound principal of cooperate governance sustainability and believes that good cooperate good governance is critical not only at cooperate level but at the national level.

List of Board members who served in the FY 2024/2025 and committees

S/NO	COMMITTEE NAME	MEMBERS	DESIGNATION
1.	AUDIT AND RISK MANAGEMENT	1. RODAH MISOI	CHAIRPERSON
		2. MERCY ONDIGO	SECRETARY / INTERNAL AUDITOR
		3. JOHN WAMAE	Alternate to the Principal Secretary
		4. OKUMU MAKOGOLA	MEMBER
		5. ALLAN OKATCH	MEMBER
2.	EDUCATION, RESEARCH, AND PUBLICITY	1. DR PAUL SAOKE	CHAIRPERSON
		2. ELIZABETH OKULLU	SECRETARY /PRINCIPAL
		3. JOHN WAMAE	PS REPRESENTATIVE
		4. OKUMU MAKOGOLA	MEMBER
		5. GRACE ADERA	MEMBER
3.	FINANCE, INFRASTRUCTURE, AND HUMAN RESOURCE	1. PETERSON MORARA	CHAIRPERSON
		2. ELIZABETH OKULLU	SECRETARY /PRINCIPAL
		3. DR PAUL SAOKE	MEMBER
		4. ENG BOB ODAWA	MEMBER

Board size composition and appointment

The Board of Governors constitutes eight members who were recommended to the Cabinet Secretary for appointment by the nomination panel. They were duly appointed taking into account the ethnic and gender balance; inclusion of persons with disabilities; minorities and the marginalized; an ensure balanced competencies among the members.

The Board comprises the Chairperson, a representative of the Principal Secretary in the Ministry responsible for Technical and Vocational Training in this case, the County Director TVET, a representative of the County Governor - the county within which the institution is located, six other

persons appointed on the basis of their knowledge and experience in leadership and management; technology, industry, engineering and Information Communication and Technology.

Process of appointment and removal

In appointing and reappointing members of governors, the commencement date of some members shall be staggered by the Cabinet Secretary to maintain proportion of new membership to ensure continuity in the affairs of Board of Governors.

The appointment of Board of Governor to its committees shall be revoked and the member shall vacate office if the member- resigns, becomes insolvent or has conveyed or assigned his property or has made a proposition or arrangement for the benefit of its creditors, is sentenced by a court of law to imprisonment for a term of six months , is incapacitated by physical or mental illness; has been absent from three consecutive meetings of the Board of Governors without leave, where the member is a representative has his appointment revoked by the nominating body; or is otherwise unable to discharge his functions as a member of the Board of Governors.

Roles and responsibilities of the Board of Governors

1. Oversee the development of policies, procedures and strategies that will promote prudent financial management, high quality infrastructural development acceptable resource mobilization practices including recruitment, reward, retention, motivation, and the development of the institution's staff.
2. Oversee the institution's compliance with legal, statutory and regulatory requirements relating to finance, infrastructure and resource mobilization matters, as well as compliance with ethical and quality standards adopted by the institution.
3. Receive and consider proposals and reports on matters relating to finance, development projects on resource mobilization in the institution.
4. Oversee the development of policies and procedures to enhance effective and efficient utilization of all the resources of the institution.
5. To oversee the development and administration of policies and procedures and strategies that will promote high quality education, research and training across the institution.
6. To guide the institution to meet its strategic aims and objectives in relation to education, research and training activities.
7. To develop high quality education courses and other activities to promote good practice within the relevant fields.

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8. Obtain assurance from management all financial and non-financial internal control and risk management functions are operating effectively and reliably.
9. Oversee the implementation of developed policies, procedures and strategies that will promote effective and efficient management systems within Rarieda Technical and Vocational college.
10. Provide independent review of the institution's reporting functions to ensure the integrity of the financial reports.
11. Ensure the institution effectively monitors with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.
12. Provide oversight of the implementation of accepted audit recommendations and consider reports on matters relating to the audit.
13. Provide strong and effective oversight of the institution's internal audit function.

Board Training and Development

- a) The Principal in consultation with the Chairperson shall ensure that Board Members receive continuing professional education to keep them informed and updated on professional, TVET and industry trends.
- b) The Principal in consultation with the Chairperson shall ensure that there is an Annual training and development program in place for Board Members as part of capacity building.
- c) All Board and Committee Members shall undertake an approved Corporate Governance course specifically designed for them. It is mandatory for all Board members to attend scheduled trainings and development programs.

In the financial that ended FY2024/2025 the Board members did not attend any capacity building or training due to financial constraints. However, this shall be done once funds are available.

Board performance in meetings

The Finance Infrastructure Planning and Human Resource Committee meeting was held on 4/10/24 to deliberate on the fourth quarter FY2023/24 reports and all members attended.

Audit and Risk Management committee meeting was held on 7/10/24 to discuss the FY2023 /2024 fourth quarter audit report and all members were present.

Education Training and Research & Publicity meeting was held on 2/10/24 to discuss 23/24 fourth quarter report on matters education and research and all members were present.

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The full board met on 11/10/24 to receive, discuss and approve recommendations from the fourth quarter FY 2023/2024 reports of the three committees and all members were present.

The Finance Infrastructure Planning and Human Resource Committee meeting was held on 6/1/25 and all members attended.

The Audit and Risk Management Committee meeting was held on 8/1/25 to discuss first quarter to discuss the audit report and all members were present.

The full board met on 10/1/25 to receive and discuss and approve recommendations from the first quarter reports from the three committees and all members attended.

Finance Infrastructure Planning and Human Resource Committee meeting was held on 4/4/25 to deliberate on the matters finance and all members were present.

Audit and Risk management Committee was held on 7/4/25 to discuss quarter audit report and all members were present.

Education Training and Research Committee meeting was held on 3/4/25 to discuss quarter reports on matters education Training and research and all members attended.

The full board met on 11/4/25 to receive, discuss and approve the recommendations from the second quarter FY2024/2025 reports from the three committees and all members attended.

Finance Infrastructure Planning and HR committee met on 4/7/25 to deliberate on the third quarter FY2024/2025 financial statements and reports and all members were present

Audit and Risk Management Committee met on 9/11/25 to discuss quarter three audit report and all members were present.

Education Training Research and Publicity Committee met on 3/7/25 to discuss FY2024/2025 to discuss quarter report on matters education training and research.

Full board meeting was held on 11/7/25 to receive, discuss and approve recommendations from the three committees and all members were present.

Succession plan and term of office

Unless the appointment of a Chairperson or a member of the Board is earlier terminated under this Act, a person appointed as Chairperson or as a member shall hold office for a term of three years from the date of appointment and shall be eligible for re- appointment for one further term of a period not exceeding three years.

Managing Conflict of Interest

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- a) Board members and officers of Rarieda TVC have both a common law duty to avoid any conflict of interest and to act in the best interest of the Institution at all times. All Board members and the CEO shall declare vested interests in any Board proceedings and this shall be a standing agenda item for Board meetings.
- b) If a Board member or a member of senior management has a conflict of interest in any contractual undertakings with the institution, they shall disclose it and have it recorded by the Secretary to the Board and reported in the minutes of the meeting.
- c) Where a conflict of interest exists, the concerned Board member or member of senior management shall excuse themselves from adjudicating on the matter and shall not be involved in managing or monitoring the contractual undertaking in question.

The Board Chairperson shall cause to be opened a Register of Conflict-of-Interest Register. The following details are documented in the register - Name of the individual declaring the conflict, Nature of the conflict, Agenda item or topic concerned and action taken.

Board Remuneration

This was guided by the financial ability of the institution and as approved by SRC - salaries and remuneration committee as shown below;

Transport varies according to individual member's residential place. 10,000.00 for all members as sitting allowance (net of tax 35%)

For Chairman 14,000 sitting allowance and transport 7,000. Honoraria for chairman 15,000.00

Other allowance as guided by SRC rates night outs 10,000.00 capped at two-night outs and airtime at 1,000.00 for those attending virtually.

Ethics and Code of Conduct

RARIEDA TVC recognizes the crucial role that ethical standards play in organizational growth and development. Governors and employees are expected to act with honesty, integrity, and fairness in all their interactions with each other and with stakeholders. The ongoing implementation of the Mwongozo Code of Governance for State Corporations is a significant step toward enhancing corporate governance, professionalism, ethics, and integrity in the management of RARIEDA TVC affairs. The Board also approved the code of conduct and Ethics for Staffs of Rarieda Tvc.

Governance Audit

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A Governance Audit is an independent assessment of an organization aimed at evaluating the adequacy and effectiveness of its policies, systems, and practices within the legal and regulatory framework, as well as in accordance with global best practices in corporate governance for the benefit of stakeholders. Governance Audit Covers the Following, Leadership and Strategic management: Transparency and Disclosure, Communication with Stake holders, Corporate Social responsibilities among others. In the most recent financial year, the Board established the internal audit function and approved the Internal Auditor Charter. On Governance issues, the Board is guided by Mwongozo and Board Charter. Other Regulatory Bodies for instance TVET Authority have the mandate to evaluate the Institution on Policies Systems and Practices. On the other hand, office of the Auditor General have the mandate to assess and evaluate the institution on Compliance with regulatory and legal bodies on matters governance matters. Rarieda Tvc has been evaluated by the office of Auditor General and got unqualified opinion during financial year 2023 -2025. In the last financial year TVET Authority did not carry out Quality Assurance audit

Terms of Reference for Finance Infrastructure Planning and Human Resource Committee (FIP&HR)

Purpose

The FIP&HR Committee, collaborates with, and responds to the Board to:

- i. Oversee the development and administration of policies, procedures and strategies that will promote prudent financial management, administrative practices and acceptable resource mobilization practices including recruitment, reward, retention, motivation and development of the institution's staff;
- ii. Oversee the institution's compliance with legal, statutory and regulatory requirements relating to finance, human resource and resource mobilization matters as well as compliance with ethical and quality standards adopted by the institution.
- iii. Receive and consider proposals and reports on matters relating to finance, development projects and resource mobilization in the institution and its campuses.
- iv. Oversee the development of policies and procedures to enhance effective and efficient utilization of all the resources of the institution.
- v. Report to the Board on a regular basis regarding matters considered in each of the committee's meetings.

Terms of Reference of the Audit and Risk Management Committee (ARM)

Purpose

The purpose of the ARM Committee shall primarily be to provide assistance to the Board to carry out its oversight function over management and assisting the management and the accounting officer to establish and operate accountable systems by:

- i. Providing oversight of the implementation of accepted audit recommendations.
- ii. Monitoring the effectiveness of the institution's performance management.
- iii. Providing effective liaison and facilitating communication between management and external audit.
- iv. Obtaining assurance from management that all financial and nonfinancial internal control and risk management functions are operating effectively and reliably.
- v. Providing an independent review of the RTVC reporting functions to ensure the integrity of financial reports.

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- vi. Ensure that the RTVC effectively monitors compliance and promotes a culture committed to lawful and ethical behavior within the framework of applicable legislative and regulatory requirements including those under the PFMA 2012, PFMR 2015, the Public Procurement and Asset Disposal Act 2015, The Public Officer Ethics Act, Chapter 183, Revised Edition 2009 (2003).
- vii. Report to the Board regularly regarding matters considered in each of the committee's meetings.

Terms of Reference of the Education Training and Research & Publicity Committee (ETR&P)

Purpose

The ETR&P Committee collaborates with, and responds to, the Board to:

- a) Oversee the development and administration of policies, procedures and strategies that will promote high quality education, training and research across the institution;
- b) To guide the institution to meet its strategic aims and objectives in relation to education, training and research activities;
- c) To develop high quality education courses or training programs and other activities to promote good practice within the relevant fields.
- d) Oversee the conduct of trainees in relation to the provisions of the Academic Policy and procedures including compliance with provisions governing the conduct and welfare of trainees

9. MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

This section presents the management's report on the operational and financial performance of the Board during the reporting period. It includes the Board's compliance with statutory requirements, an overview of the major risks facing the organization, and any material arrears in statutory and other financial obligations. Additionally, it offers a review of the economy, an analysis of the sector, future developments, and any other information deemed relevant for the users of the financial statements.

Management Report on Operational and Financial Performance.

The fiscal year 2022/23 marked the first year the Board received funding from the Exchequer. In response, the Board has developed a five-year strategic plan (SP) for 2024-2028.

Compliance with Statutory Requirements

In fulfilling its mandate, the Board complied with all statutory requirements, regulations, and rules established by the government and relevant regulatory bodies. This compliance is essential to ensure that the Board and its officers operate within the law and uphold ethical standards. The Board recognizes that non-compliance can result in serious consequences, including legal actions, fines, penalties, loss of licenses or permits, reputational damage, and even imprisonment in some cases.

Risk Management

The Board has established a risk management system that includes the formation of Audit and Risk Management. This committee plays a key role in overseeing and managing risks to ensure the organization operates effectively and meets its objectives.

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING STATEMENT

Rarieda Technical and vocational college exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the institutions strategic objectives.

Sustainability strategy and profile

The Management ensured that on a quarterly basis, enrolment increased and returns on trainee population is submitted to the Ministry of Education, State Department of TVET to assure of accountability, transparency and progressive funding.

Further, management enhanced sensitization on government Sponsorship, HELB and Bursary funding for the trainees as sustainable funding models. The Board of Governors proposed to the Honourable Member of Parliament for Rarieda Constituency through Constituency Development Fund for financial support. The management has developed proposals for the Production Units as a way of prioritizing on sustainable revenue source for the academic departments.

Environmental performance

The management ensured that a greening and beautification department by the duly appointing greening committee with very clear terms of Reference to ensure that inter- alia, the institution has a well-developed Environmental department. Landscaping, planting of flowers, grass establishment of a tree seedling, partnership with other organizations on greening and beautification was planned and actualized. The overall outcome was increase in forest cover by planting 2,500 trees hence reduction in erosion and improved aesthetic outlook of the institution.

Employee welfare

The institution has a Human Resource Management department which had a duly appointed committee to ensure that operations as guided by the provisions of the relevant legal framework as it addresses all human resource matters. The institution has adopted Human Resource Policy and Procedure Manual and the current staff is as follows:- BOG Staff trainers 44, PSC Trainers 16, BOG non Trainers 15 total of 75 staff. RARIEDA TVC has complied with the OSH Act of 2007

by incorporating the Act into the Human Resource Manual, which includes provisions for a Safety and Health Committee responsible for ensuring the institution meets all health and safety requirements outlined in the Act

The institution engaged stakeholders in the following areas

1. Formulation of the Institutional Strategic Plan
2. Formulation of Students Council Constitution

Market place practices-

Rarieda TVC plays a critical role in developing skilled labor and promoting industry standards. To ensure responsible competition practices, the institution implements the following:

- i. **Anti-Corruption Measures:** Institution maintains strict anti-corruption policies. All staff members undergo regular sensitization on expected ethical behavior, and the organization has a clear reporting system for any unethical practices. The institution adheres to National and international anti-corruption laws, ensuring a transparent and corruption-free environment.
 - ii. **Responsible Political Involvement:** The institution avoids any undue influence on it due to political processes. Any engagement in political activities is conducted with transparency and in compliance with legal framework in place. Contributions to political causes, if any, are disclosed and are made without expecting any favours' in return.
 - iii. **Responsible marketing and advertisement-outline efforts to maintain Fair Competition:** The Rarieda TVC ensures that it competes fairly with other institutions by focusing on the quality and relevance of its training programs. It avoids any practices that could unfairly disadvantage competitors, such as misrepresentation of programs or manipulation of enrolment data.
 - iv. **Respect for Competitors:** The Rarieda TVC maintains a respectful attitude towards other training providers. It refrains from negative advertising or spreading misinformation about competitors. Instead, it focuses on continuous improvement and innovation in its offerings to attract students.
- b) **Responsible Supply Chain and Supplier Relations**

The Rarieda TVC recognizes the importance of maintaining responsible and ethical relationships with its suppliers:

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- **Good Business Practices:** The institution follows ethical procurement processes, ensuring that all dealings with suppliers are conducted fairly and transparently. It selects suppliers based on merit, considering factors such as quality, reliability, and sustainability.
- **Honouring Contracts:** The Institution committed to honouring all contractual agreements with its suppliers. This includes ensuring that all terms and conditions are met, and that any changes or challenges are communicated openly and managed collaboratively.
- **Respecting Payment Practices:** Rarieda TVC pays its suppliers promptly and according to agreed-upon terms. It avoids delaying payments unnecessarily, recognizing that timely payments are crucial for maintaining healthy supplier relationships and ensuring the smooth operation of supply chains.

c) **Responsible Marketing and Advertisement**

As an educational institution, the Rarieda TVC is committed to maintaining high ethical standards in all its marketing and advertising efforts.

d) **Product Stewardship**

Rarieda TVC have has responsibility to ensure that their educational services meet the highest standards of quality and ethics:

- **Consumer Safety:** The institution ensures that all its training programs are designed to equip students with the skills needed to succeed in their chosen fields. It regularly reviews and updates its curriculum to align with industry standards and best practices.
- **Transparency and Information:** The institution provides clear and accessible information about all aspects of its programs, including the curriculum, assessment methods, and certification processes. It ensures that students are aware of their rights and responsibilities.
- **Sustainability:** Rarieda TVC is committed to incorporating sustainable practices into its operations and curriculum. This includes promoting environmentally friendly practices in training programs and ensuring that the organization's activities have minimal environmental impact.
- **Consumer Rights:** The institution upholds the rights of its students by providing a safe and supportive learning environment. It has mechanisms in place for students to raise concerns or complaints, and it takes these seriously to continuously improve its services.

RTVC promotes education through multiple strategies that can address various barriers and enhance learning opportunities. Here are some key approaches:

Increasing Access to Education

- **Infrastructure Development:** the institution has been build, in rural and underserved area, and has improved transportation to make Technical and Vocational Education accessible to all.

Improving Quality of Education

- **Teacher Training:** The institution has allowed ongoing professional development for trainers to ensure they have the skills and knowledge to deliver high-quality education.
- **Curriculum Development:** Update curricula to make it relevant to current societal needs, including critical thinking, digital literacy, and life skills. This has been done through the implementation of the CBET, Modular ,Dual and Recognition Of Prior Learning programs.
- **Learning Materials:** The institution has been providing adequate practical materials/equipment, textbooks, digital resources, and other learning materials that cater to diverse learning needs.

□ Engaging the Community

- **Parental Involvement:** the institution has encouraged parents to be actively involved in their children's education through regular communication with the institution and participation in the institution activities. .
- **Awareness Campaigns:** The institution has been raising awareness about the importance of Technical and Vocational education through media, social campaigns, and community outreach. □

Promoting Inclusive Education

- **Special Needs Education:** the institution has been providing specialized support and resources for trainees with disabilities to ensure they have equal access to education.
- **Gender Equality:** the institution address gender disparities by encouraging the enrolment of girls and ensuring a safe learning environment for all genders.
- **Cultural Sensitivity:** the institution respects and incorporate local cultures and languages in the educational system to make learning more relatable and effective.

□ Leveraging Technology

- **ICT in the institution:** the institution has integrated information and communication technology (ICT) into the school curriculum to enhance learning and prepare trainees for a digital world.

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□ **Government and Policy Support**

- **Academic Policy:** the institution has developed and implemented strong academic policy that prioritize academics and quality learning for all.
- **Partnerships:** the institution has encouraged collaboration between governments, NGOs, and the private sector to pool resources and expertise in promoting education.
- **Monitoring and Evaluation:** the institution regularly assess and monitor academic programs to ensure they meet objectives and make necessary adjustments.

□ **Addressing Barriers**

- **Safety and Security:** the institution ensures that there is a safe environment, free from violence, bullying, and discrimination.
- **Health Services:** the institution Provides health services and counseling in the institution to address issues that can hinder learning, such as mental health and substance abuse.

Corporate Social Responsibility / Community Engagements

It's worth noting that during the financial year 2024-2025, the college carried out a number of outreach programmes to the community around the college as follows:

Beyond its core educational mission, Rarieda TVC contributes to community and social development in the following ways:

- **Sports:** The Rarieda TVC promotes physical education and sports as part of its holistic approach to student development, supporting the physical well-being of its students.
- **Healthcare:** The College supports healthcare initiatives by providing health education, wellness programs, and access to basic healthcare services for students and staff.
- **Labour Relations and Staff Training:** Rarieda TVC invests in its staff through ongoing professional development, fair labour practices, and a positive work environment. .

These practices demonstrate Rarieda TVC's commitment to ethical operations, community engagement, and the overall well-being of its stakeholders.



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11. REPORT OF THE BOARD OF GOVERNORS

The Board Governors has presented their draft FY 2024 - 2025 financial report and had received the audit report FY 2023 – 2024.

Principal activities

The principal Activity is Training and Research in Technical and Vocational Education

i) Results

The results of Rarieda Tvc for the year ended June 30, 2025, are set up on appendix XVIII

ii) Governors

The members of the Board who served during the year are listed on pages vii to viii. The board members were appointed on 21st September, 2023.

iii) Auditors

The Auditor-General is responsible for the statutory audit of Rarieda TVC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act of 2015 for the year ended June 30, 2025.

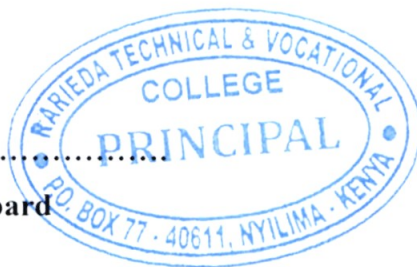
By Order of the Board



Secretary of the Board

Nairobi

Date:



12. STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the Board members to prepare financial statements in respect to Rarieda Technical and Vocational College, to give a true and fair view of the state of affairs of the College at the end of the financial period and the operating results of the College for that period. The Board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of Rarieda TVC. The Board members are also responsible for safeguarding the assets of the college. Therefore, the Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the period ended 30th June, 2025. These responsibilities include:

- Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period
- Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity
- Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud
- Safeguarding the assets of the college
- Selecting and applying appropriate accounting policies and
- Making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013. The Board members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the period ended 30th June, 2025, and of the college's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial Statements

The College's financial statements were approved by the Board on 27/11/2025 and signed on its behalf by:



.....
Eng. Stephen Auma

Chairperson of the Board



.....
Elizabeth Okullu

Accounting officer/Principal

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON RARIEDA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Rarieda Technical and Vocational College set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, for the year then ended and a summary of

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

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

Basis for Qualified Opinion

1. Unsupported Depreciation and Amortization Expense

The statement of financial performance and as disclosed in Note 10 to the financial statement reflects an amount of Kshs.7,210,678 in respect of depreciation and amortization expenses which includes Kshs.2,556,925, Kshs.444,149, Kshs.109,698, Kshs.4,039,956 and Kshs.59,950 for buildings, furniture and fittings, office equipment, computers and plant and equipment respectively. However, review of the asset register provided revealed that the asset register was incomplete and lacked relevant information such as depreciation rate, annual depreciation, accumulated depreciation and net book values therefore, the depreciation and amortization expense reported could not be reconciled and agreed with the asset register. Further, depreciation and amortization rates were not disclosed in the summary of significant accounting policies in the financial statement.

In the circumstances, the accuracy and completeness of the depreciation and amortization expense amounting to Kshs.7,210,678 could not be confirmed.

2. Unsupported Property, Plant and Equipment

The statement of financial position and as disclosed in Note 16 to the financial statement reflects a balance of Kshs.69,295,509 in respect of property, plant and equipment which includes Kshs.60,166,025, Kshs.2,910,124, Kshs.709,779, Kshs.5,095,044 and Kshs.414,537 for buildings, furniture and fittings, office equipment, computers and plant and equipment respectively. However, the asset register provided was incomplete and lacked details such as depreciation rate, accumulated depreciation, annual depreciation, and net book values. Therefore, the net book values indicated in the property, plant and equipment movement schedule and as disclosed in Note 16 to the financial statements could not be reconciled with the asset register. Further, review of certificate of official search and title deed indicate that land Reference No. Siaya/Mahaya/30 (approximately 3.4 ha) on which Rarieda Technical and Vocational College stands is owned by the defunct Siaya County Council and is reserved for Mahaya Village Polytechnic. The same has not been transferred to Rarieda Technical and Vocational College.

In the circumstances, the accuracy and completeness of the property, plant and equipment amounting to Kshs.69,295,509 could not be confirmed.

3. Long-Outstanding Receivables and Unexplained Variances in Aging Analysis

The statement of financial position and as disclosed in Note 15 to the financial statements, reflects a balance of Kshs.53,248,316 in respect of receivables from exchange transactions. However, review of the aging analysis revealed that Kshs.40,518,081 or 76% of the total receivables, has been outstanding for more than one year. These balances have remained uncollected for over twelve (12) months, and no evidence was provided to demonstrate actions taken by management to pursue or recover the outstanding amounts which remains doubtful.

In the circumstances, the recoverability of outstanding receivables balance of Kshs.40,518,081 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2025 reflects final receipts budget and actual amounts on a comparable basis of Kshs.104,489,527 and Kshs.59,401,014 respectively resulting to an under-funding and under-collection of Kshs.45,088,513 or 43% of the budget. Similarly, the College spent Kshs.46,510,886 against a final expenditure budget of Kshs.112,325,327 resulting to an under-expenditure of Kshs.65,814,441 or 59% of the expenditure budget.

The under-funding and under-expenditure affected implementation of the planned activities and programs and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

In the audit report of the previous year, several matters were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public

Resources and Report on Effectiveness of Internal Control, Risk management and Governance respectively. Review of the status during the audit of Rarieda Technical and Vocational College in 2024/2025 revealed the following nine (9) matters remained unresolved:

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements and failure to adhere to the Prescribed Format in the preparation of financial statements
2	2023/2024	Variances in the statement of financial performance
3	2023/2024	Lack of ethnicity and gender balance
4	2023/2024	Unsupported Trade and other payables
5	2023/2024	Unsupported Current and Long-term Receivables from exchange transactions
6	2023/2024	Budget control and performance
7	2023/2024	Exclusion of Disadvantaged group in annual procurement plan
8	2023/2024	Lack of ethnicity and gender balance
9	2023/2024	Late remittance of statutory deduction

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Exclusion of Disadvantaged Groups in Annual Procurement Plan

A review of the approved annual procurement plan revealed that Management allocated Ksh.520,000 or 0.7% out of a total budget of Kshs.65,140,440 which is below the required thirty percent (30%) of its annual procurement budget for the purposes of procuring goods, works and services from enterprises owned by youth, women and persons with disability.

This contrary to Regulation 149 of the Public Procurement of Assets and Disposal Regulations, 2020 which states that an accounting officer of a procuring entity shall, when processing procurement under section 157(5) of the Act, allocate at least thirty percent (30%) of its annual procurement budget for the purposes of procuring goods, works and services from enterprises owned by youth, women and persons with disability.

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

2. Late Remittance of Statutory Deductions

Review of the records of the College revealed late remittance of statutory deductions as tabulated below;

Item	Date remitted	Amount
Being payment for NSSF for June, July and part August 2024	10/25/2025	179,689.00
Being payment for NSSF, PAYE, NITA, Housing Levy and SHA for April 2025	5/29/2025	137,337.00
Being payment for NSSF for February 2025	3/28/2025	87,410.00
Being payment of NSSF for September 2024	10/29/2024	74,664.00
Being payment of NSSF for August 2024	10/28/2024	69,504.00
Being payment of NSSF for January 2025	2/18/2024	53,434.00
Being payment for NHIF for June 2024	10/16/2024	26,400.00
Being payment for NHIF for AUGUST 2024	10/16/2024	26,200.00
Being payment for Housing Levy and NITA for February 2024	3/17/2025	24,006.00
Being payment for SHA for December 2024	1/8/2025	20,534.00
Being payment for SHA for February 2025	3/11/2025	20,061.00
Being payment for PAYE for September 2024	10/19/2024	11,113.00

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 College's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

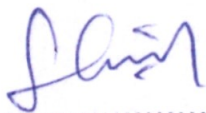
02 December, 2025

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

14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Notes	30 TH JUNE 2025	30 TH JUNE 2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	5	12,979,500.00	2,000,000.00
Grants from donors and development partners	5	0	71,042,355.00
Total Revenue from Non-Exchange transactions		12,979,500.00	73,042,355.00
Revenue from Exchange transactions			
Rendering of services- fees from students	6	46,421,514.00	59,984,811.00
Sale of goods		0	14,000.00
Revenue from Exchange transactions		46,421,514.00	59,998,811.00
Total Revenue		59,401,014.00	133,041,166.00
Expenses			
Use of goods and services	7	24,229,463.00	13,940,345.40
Employee costs	8	9,132,230.00	5,059,095.00
Board Expenses	9	1,712,150.00	1,406,500.00
Contracted Services	12	630,000.00	0
Depreciation and amortization expense	10	7,210,678.00	4,323,442.00
Repairs and maintenance	11	730,626.00	292,468.00
Total Expenses		43,645,147.00	25,021,850.40
Net surplus/(deficit) for the year		15,755,867.00	108,019,315.00

The Financial Statements set out on pages 1 to 5 were signed by:



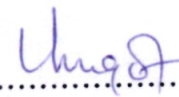
Chairperson of Board

Date: 27/11/2025



Principal

Date: 27/11/2025



Finance Officer

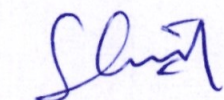
Date: 27/11/2025

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

15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2025

Description	Notes	30 TH JUNE 2025	30 TH JUNE 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	13	11,846,037.00	162,101.60
Receivables from exchange transactions	14	53,248,316.00	42,385,466.34
Inventories	15	741,734.00	1,200,000
Total Current Assets		65,836,087.00	43,747,567.94
Non-Current Assets			
Property, plant, and equipment	16	69,295,509.00	72,698,577.00
Total Non-Current Assets		69,295,509.00	72,698,577.00
Total Assets		135,131,596.00	116,446,144.94
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	17	3,460,114.00	648,230.00
Fee payment received in advance	18	117,700.00	0
Total Current Liabilities		3,577,814.00	648,230.00
Net Assets		131,553,782.00	115,797,914.90
Represented By:			
Accumulated Fund		131,553,782.00	115,797,915.00
Net Assets		131,553,782.00	115,797,915.00

The Financial Statements set out on pages 1 to 5 were signed by:



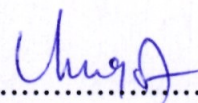
Chairperson of Board

Date 27/11/2025



Principal

Date 27/11/2025



Finance Officer

Date 27/11/2025

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

16. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	-	7,778,599.83	-	7,778,599.83
Surplus for the year	-	108,019,315	-	108,019,315
At June 30, 2024	-	115,797,915	-	115,797,915
At July 1, 2024	-	115,797,915	-	115,797,915
Surplus for the year	-	15,755,867	-	15,755,867
At June 30, 2025	-	131,553,782	-	131,553,782



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17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Cash flows from operating activities		
Receipts		
Transfers from other National Government entities	12,979,500.00	2,000,000.00
Rendering of services- fees from students	35,486,400.00	19,618,522.49
Sale of goods	0	14,000.00
Total Receipts	48,465,900.00	21,632,522
Payments		
Use of goods and services	21,724,879.00	13,869,015.40
Employee costs	8,457,500.00	4,482,195.00
Board Expenses	1,491,350.00	1,406,500.00
Repairs and maintenance	730,626.00	292,468.00
Contracted Services	570,000.00	0
Total Payments	32,974,355.00	20,050,178.40
Net Cash Flows from operating activities	15,491,545.00	1,582,343.60
Cash flows from investing activities		
Purchase of property, plant, equipment	3,807,610.00	(1,440,600.00)
Net cash flows used in investing activities	3,807,610.00	(1,440,600.00)
Net Increase in Cash and Cash equivalents	11,683,935.00	141,743.60
Cash and Cash equivalents at 1 JULY 2024	162,102.00	20,358.00
Cash and Cash equivalents at 30 JUNE 2025	11,846,037.00	162,101.60

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**18. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR YEAR ENDED
30 JUNE 2025**

Description	Original budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	%
Conditional Grants - Development	-	10,000,000.00	10,000,000.00	100%
Transfers from other National Government entities	5,123,500.00	2,979,500.00	(2,144,000.00)	(41.9%)
Rendering of services- fees from students	99,366,027.00	46,421,514.00	(52,944,513.00)	(53.28%)
Total Income	104,489,527.00	59,401,014.00	(45,088,513.00)	(43.15%)
Expenses				
Use of goods and services	95,115,121.00	27,095,202.00	68,043,749.00	71.54%
Employee costs	10,362,265.00	9,132,230.00	1,230,035.00	11.87%
Board Expenses	5,064,000.00	1,712,150.00	3,328,020.00	65.72%
Repairs and maintenance	1,783,941.00	730,626.00	1,053,315.00	59.04%
Contracted Services	0	630,000.00	630,000.00	0%
Depreciation on PPE	0	7,210,678.00	7,210,678.00	0%
Total Expenditure	112,325,327.00	46,510,886.00	65,814,441.00	58.60%
Surplus For the Period	-	15,755,867.00		
Capital Expenditure	16,500,000.00	3,807,610.00	12,692,390.00	76.92%

The statement of comparison of Budget and Actual amounts shows that both income and expenditures were underscored. This variation is attributed to the failure by the Government of Kenya to release scholarship and capitation funds. The students who applied for HELB loan to help them finance their training fee were also not fortunate enough to have received the disbursements. This forced the institution to cut down on its expenditures.

19. Notes to the Financial Statements

1. General Information

Rarieda TVC is established by and derives its authority and accountability from TVET Act 2013 and PFM act 2012 and other relevant laws and regulations. The Rarieda TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. The Rarieda TVC's principal activity is technical training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Rarieda TVC accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Rarieda TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

There are no new standards in the year ended 30th June 2025.

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 Rarieda TVC and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

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

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carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on **11/04/2024**. 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 Rarieda TVC upon receiving the respective approvals to conclude the final budget. Accordingly, the Rarieda TVC did not record additional appropriations on the FY 2024/2025 budget following the Board's approval. The Rarieda TVC's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page **7-8** under section **18** of these financial statements.

c) Taxes

Current income tax

The Rarieda TVC is exempt from paying taxes.

Sales tax/ Value Added Tax

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

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

- When receivables and payables are stated with the amount of sales tax included.

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

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Rarieda TVC. 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 Rarieda TVC also recognizes the associated

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

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 Rarieda TVC will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Rarieda TVC. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

The Rarieda TVC expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Rarieda TVC 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.

i) 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 Rarieda TVC does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. The financial instrument is any contract that gives rise to a financial asset of one Rarieda TVC and a financial liability or equity instrument of another Rarieda TVC. At initial recognition, the Rarieda TVC measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The Rarieda TVC 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 Rarieda TVC'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 Rarieda TVC 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 Rarieda TVC classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Rarieda TVC 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 Rarieda TVC recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note xx.

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Inventories (Continued)

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

k) Provisions

Provisions are recognized when the Rarieda TVC 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 Rarieda TVC 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 Rarieda TVC 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 Rarieda TVC 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 Rarieda TVC 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.

l) Social Benefits

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

m) Nature and purpose of reserves

The Rarieda TVC creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The Rarieda TVC provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Rarieda TVC pays fixed contributions into a separate Rarieda TVC (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other

than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) Foreign currency transactions

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

q) 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.

r) Related parties

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

s) Service concession arrangements

The Rarieda TVC 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 Rarieda TVC recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Rarieda TVC also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Cash and cash equivalents

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

u) Comparative figures

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

v) 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.

4. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Rarieda TVC 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 Rarieda TVC. 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 Rarieda TVC.

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- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

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

5. Transfers from other National Government entities

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grant – Quarter 1	717,500.00	1,534,327.50
Capitation Grant – Quarter 2	2,262,000.00	
Operational Grant	0	2,000,000.00
Scholarship Grants	0	2,748,029.70
Development grants	10,000,000.00	0
Total unconditional Grants	12,979,500.00	6,282,357.20

6. Rendering of Services – Fee from students

Description	Kshs	Kshs
Tuition Fees	10,107,384.00	6,471,886.00
Activity Fees	3,369,128.00.	1,654,920.00
Industrial Attachment Fees	1,684,563.00	800,500.00
Examination Fees	5,051,441.00	3,985,988.00
Library Fees	673,525.00	500,400.00
RMI	2,020,576.00	1,009,230.00
Local transport and travels	3,704,390.00	2,710,444.00
EWC	5,724,967.00	2,350,999.00
Registration fee	345,017.00	200,553.00
Development	1,010,288.00	970,002.00

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Others (Accrued revenue)	12,730,235.00	39,329,889.00
Total Revenue from The Rendering of Services	46,421,514.00	59,984,811.00

Note: Included are accrued student debtors of Kshs. 12,730,235.00

7. Use of Goods and Service

Details	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Training Materials and other related costs	11,403,924.00	5,192,663.00
Local Transport & Travel	1,966,009.00	1,481,098.00
Utilities (Electricity, Water and Conservancy)	275,104.00	278,076.50
Administrative Expenses	2,889,569.00	5,255,323.90
Activity (sports and recreational activities)	1,022,885.00	0
Students Organization	363,503.00	111,110.00
KNEC Examination	6,308,469.00	1,603,745.00
Total	21,363,724.00	13,922,016.40

8. Employee Costs

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Salaries and wages	7,420,070.00	3,743,386.00
Statutory Deductions	1,712,160.00	219,414.00
Employee Costs	9,132,230.00	4,482,195.00

9. Board Expenses

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Chairman's Honoraria	120,000.00	120,000.00
Sitting Allowances	1,592,150.00	1,286,500.00
Total	1,712,150.00	1,406,500.00

10. Depreciation and Amortization expense

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Property, plant and equipment	7,210,678.00	4,323,442.00
Total depreciation and amortization	7,210,678.00	4,323,442.00

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11. Repairs and Maintenance

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Property, Equipment and machinery	708,625.00	292,468.00
Computers and accessories	22,001.00	0
Total Repairs and Maintenance	730,626.00	292,468.00

12. Contracted Services

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Security Services	630,000.00	0
Total Contracted Services	630,000.00	0

13. Cash and Cash Equivalents

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Current Account	11,841,985.00	162,101.60
Cash in Hand	4,052.00	
Total Cash and Cash Equivalents	11,846,037.00	162,101.6

13.a. Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	June 2025
		Kshs
a) Current Account		
Kenya Commercial Bank	1303070405	11,841,985.00
Sub- Total		11,841,985.00
Cash in Hand	-	4,052.00
Sub- Total		4,052.00
Grand Total		11,846,037.00

14. Receivables from Exchange transactions

Description	30 TH JUNE 2025	30 TH JUNE 2024
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	Kshs	Kshs
Current Receivables		
Student Debtors	53,248,316.00	42,385,466.34
Total Current Receivables	53,248,316.00	42,385,466.34

14 (b) Ageing Analysis of Receivables from Exchange transactions

Description	30 TH JUNE 2025		30 TH JUNE 2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	12,730,235.00	23.91%	39,329,889	93%
Between 1- 2 years	40,518,081.00	76.09%	3,055,577.83	7%
Total (a+b)	53,248,316.00	100.00%	42,385,466.34	%

15. Inventories

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Consumable stores	444,725.00	341,000.00
Maintenance stores	36,790.00	100,000.00
Health Unit stores	32,219.00	50,000.00
Electrical stores	228,000.00	259,000.00
Cleaning Materials stores	0	50,000.00
Catering stores	0	400,000.00
Total Inventories at Acquisition cost	741,734.00	1,200,000.00

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16. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Office Equipment	Computers	Plant and Equipment	Total
Depreciation Rate	-	4%	12.5%	12.5%	33.3%	12.5%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1st July 2023	0	4,200,000	536,543	102,000	0	0	4,838,543
Disposals	0	0	0	0	0	0	-
Donations		58,390,755	488,000	0	12,000,000	0	70,878,755
Transfer/Adjustments	0	0	0	0	0	0	
At 30th June 2024	0	62,590,755	2,301,543	102,000	12,000,000	163,600	77,157,898
At 1st July 2024	0	62,590,755	2,301,543	102,000	12,000,000	163,600	77,157,898
Additions	0	1,332,374.0 0	1,251,650	775,586	132,000	316,000	3,807,610
Transfer/Adjustments	0	0	0	0	0	0	0
At 30th June 2025	0	63,923,129	3,553,193	877,586	12,132,000	479,600	80,965,508
Depreciation And Impairment							
At 1st June 2023		(84,000)	(27,736.5)	(24,142.5)	-	-	(135,879)
Depreciation	-	(1,116,179)	(171,184)	(33,966)	(2,997,000)	5,113	4,323,442
At 30th Jun 2024	-	(1,200,179)	(198,920.5)	(58,108.5)	(2,997,000)	(5,113)	(4,459,321)
At 1st June 2024	-	(1,200,179)	(198,920.5)	(58,108.5)	(2,997,000)	(5,113)	(4,459,321)
Depreciation	-	(2,556,925)	(444,149)	(109,698)	(4,039,956)	(59,950)	(7,210,678)
At 30th Jun 2025	-	(3,757,104)	(643,069.50)	(167,806.50)	(7,036,956)	(65,063)	(11,667,944)
Net Book Values							
At 30th Jun 2024	0	61,390,576	2,102,622.5	43,891.5	9,003,000	158,487	72,698,577
At 30th Jun 2025	0	60,166,025	2,910,124	709,779	5,095,044	414,537	69,295,509

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020).

16 (b) Property, Plant and Equipment at Cost

The freehold land, buildings and other assets were stated on the historical cost basis as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0	0	0
Buildings	63,923,129	(3,757,104)	60,166,025
Plant And equipment	479,600	(65,063)	414,537
Computers and Related Equipment	12,132,000	(7,036,956)	5,095,044
Office Equipment,	877,586	(167,806.50)	709,779
Furniture, And Fittings	3,553,193	(643,069.50)	2,910,124
Total	80,965,508	11,669,999	69,295,509

17. Trade and Other Payables

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Trade payables	2,504,584.00	71,330.00
Salary and deductions	674,730.00	576,900.00
Board of Governors Allowances	220,800.00	0
Security Services	60,000.00	0
Total Trade and Other Payables	3,460,114.00	648,230.00

18. Fees received in advance

Description	30 TH JUNE 2025	30 TH JUNE 2024
	Kshs	Kshs
Prepaid fees	117,700.00	-
Total Deposits	117,700.00	-

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Ageing analysis:		Current FY	% of the Total
Under one year	117,700.00	-	100%
Total (to tie to totals deposits above)	117,700.00	-	100%

19. Financial Risk Management

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

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

(i) Credit risk

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

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

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

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

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

(ii) Liquidity risk management

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

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

(iii) Market risk

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

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

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

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

20. Events After The Reporting Period

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

21. Ultimate And Holding Rarieda TVC

The Rarieda TVC is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

22. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	In accuracies in the Financial Statements and failure to adhere to the Prescribed Format in the preparation of financial statements	The financial statements amended as advised	Resolved	
2	Variances in the statement of financial performance	Review of statements of financial performance was done together with the schedules	Resolved	
3	Un – Supported Trade and other payables	The management ensured that the list was provided	Resolved	
4	Unsupported Current and Long term Receivables	The management ensured that the schedule was provided	Resolved	

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	from exchange transactions			
Emphasis of matter	Budget control and performance	<p>The college had underperformed as per the budget provisions and as observed. During the FY 2023-2024, the college was faced with a lot of financial challenges making it not able to meet all its financial obligations. The college had not received full scholarship from GOK yet majority of its trainees fall in the new government funding model, there was also incomplete disbursement of HELB and Capitation grants to trainees. The college has since embarked on fee recovery from students as dictated by the approved fee recovery and finance management policy to ensure revenue budget is achieved. Further, the management has decided to consider different ways of generating its own revenue to supplement the GOK funding; for instance, sensitizing trainees on the need for paying tuition fees through the principal circulars, newsletters and reminders, engaging in practicable income generating activities as per the draft income generating policy and business plans.</p>	Partially resolved	2025-2026

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1	Exclusion of Disadvantaged group in annual procurement plan	The management has implemented this in the 2025-2026 annual procurement plan	Resolved	
2	Lack of ethnicity and gender balance	As per the Human Resource Policy, the management is committed to adhere to this rule in subsequent recruitments	Partially resolved	2025-2026
3	Late remittance of statutory deduction	The management has implemented this in the 2025-2026 annual procurement plan	Resolved	




Name
ELIZABETH OKULLU

PRINCIPAL
 Date 27/11/2025