

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 APR 2026	DAY: WEDNESDAY
TABLED BY: HON. DINO RASO, MP	ON BEHALF OF LOM
CLERK-AT-THE-TABLE: J. LEMERELLE	

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REPORT

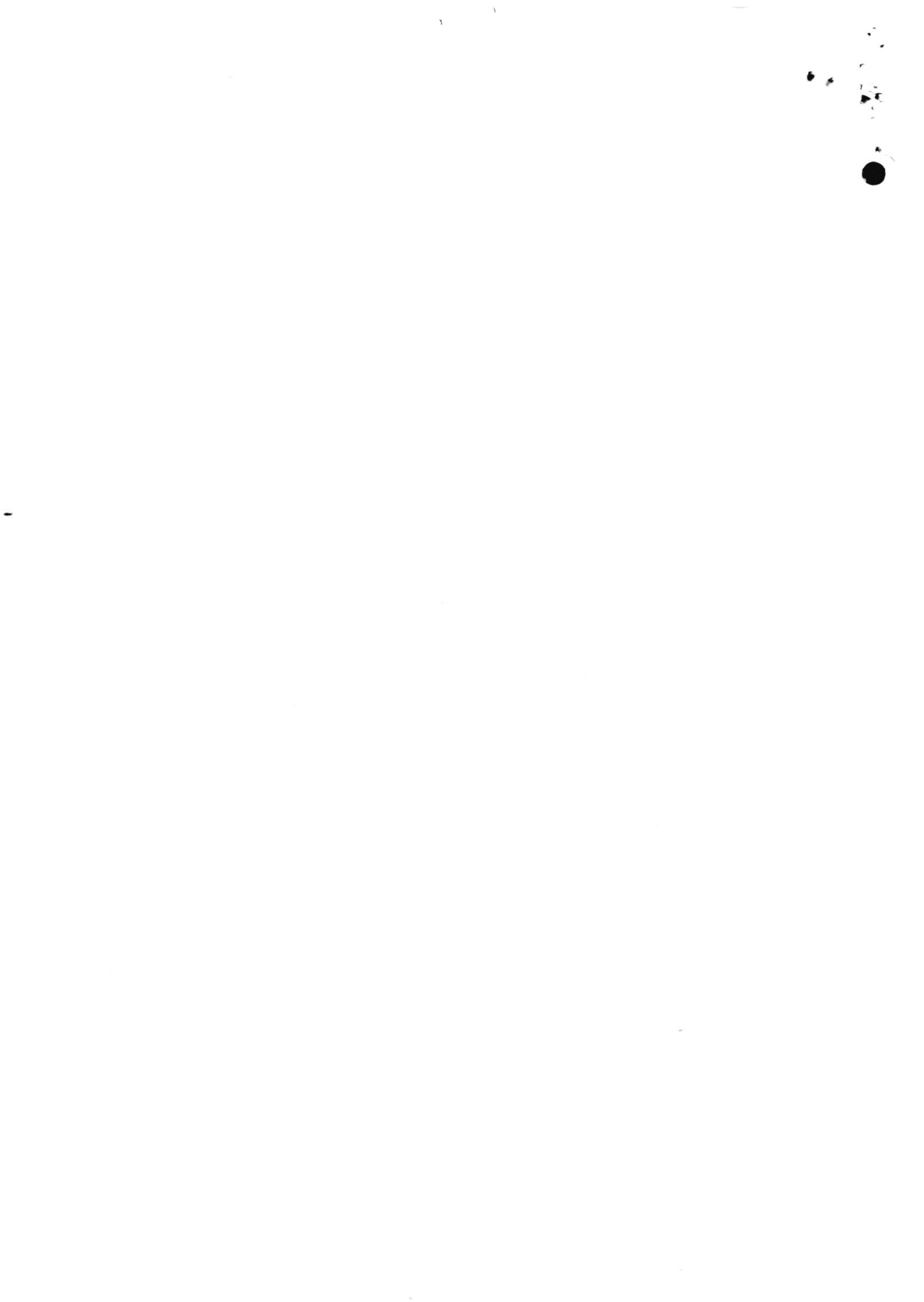
OF

THE AUDITOR-GENERAL

ON

**LIMURU TECHNICAL AND VOCATIONAL
COLLEGE**

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





LIMURU TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

Limuru Technical and Vocational College
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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
CPAK	Certified Public Accountant of Kenya
DOB	Date of Birth
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
PSC	Public Service Commission
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVETA	Technical Vocational Entrepreneurship Training Authority

B. Definition of Key Terms

Fiduciary Management	Members of Management directly entrusted with the entity's financial resources.
Comparative Year	The prior period.

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2. Key Entity Information and Management

(a) Background information

Limuru Technical and Vocational College was established under the TVET Act 2013. The College is domiciled in Kenya and has no branches. The College is under the Ministry of Education. It started operations in June 2021 and admitted its first batch of students in September 2021.

The College has Nine academic departments; Building and Civil Engineering, Electrical and Electronic Engineering, Mechanical and Automotive Engineering, Hospitality and Tourism, Fashion Design and Cosmetology, Computing and Informatics, Business Studies and Entrepreneurship and Liberal Studies.

(b) Principal Activities

The Principal activity/mission of Limuru TVC is to teach and train at TVET level as outlined in the TVET Act, 2013.

i. Vision

To be a world class centre of excellence in Technical Education, Business, Research and Innovation.

ii. Mission

To produce competent graduates with relevant knowledge and practical skills for career development.

iii. Strategic Objectives

- Provide market driven and competency based training for students.
- Improve access to and use of ICT.
- Establish linkages, Partnerships and collaboration.
- Enhance Financial sustainability
- To improve infrastructure to enhance teaching and learning.
- Enhance Student Satisfaction.
- Develop Human Resource Capacity and improve Corporate Image.

(c) Key Management

Senior management comprise of Principal, Deputy Principal Administration, Deputy Principal Academics, Registrar and Dean of Students.

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Key Entity Information and Management (Continued)

(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:

S/No.	Designation	Name
1.	Principal	Dinah Akoth Obonyo
2.	Deputy Principal Administration	Peter Mbua Kang'ora
3.	Deputy Principal Academic	Alice Wangari Maina
3.	Accountant	Esther Njeri Wainaina
4.	Ag. Registrar	George Gitau Mwangi
5.	Ag. Dean of Students	Elizabeth Wambui Ndiguitha

The management outsourced accountancy services by engaging a professional accountant to update the books of accounts and prepare quarterly and annual financial statements.

(e) Fiduciary Oversight Arrangements

Finance, Administration and Development Committee:

The Finance, Administration and Development Committee is appointed to oversee and monitor the development of the College and report status to the Board and any recommendations for approval and implementation. The committee monitors finance performance and administration of the College.

Education, Training and Research Committee:

The Education, Training and Research Committee monitor the academic performance of the College.

The committee is mandated to handle academic issues for the trainers and students.

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Key Entity Information and Management (Continued)

Risk, Audit and Compliance Committee:

The committee monitor the integrity of the financial statements of the Institute, review the Institute's internal financial controls systems and oversee the internal audit function.

Senior Management:

Senior management comprise of Principal, Deputy Principal, Registrar and Dean of Students.

Management:

The management report direct to the senior management. The management comprise of Head of Departments and their deputies. The management is responsible in day to day running of their departments.

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Key Entity Information and Management (Continued)

(f) Entity Headquarters

P.O. Box 1584 – 00217
Limuru,
Located in Kamandura area, behind PCEA Joshua Matenjwa Church /Parish head
quarter
Along Nairobi-Nakuru Highway, near Mai Mahiu Junction

(g) Entity Contacts

Telephone: (+254)708 652 364
E-mail: limurutvc@gmail.com
Website: www.limurutvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank Limited
Limuru Branch
P.O. Box 933-00217
Limuru

(i) Independent Auditors

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




(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

The term of the current Board of Governors expired during the financial year. In accordance with governance procedures, nominations for a new Board were conducted, followed by the formal appointment of the incoming members in May 2025. Appointment letters were subsequently issued and delivered on 31st July 2025.

No.	Name	Passport-size photo	Member's date of birth, key qualifications, and work experience. Indicate whether the member is independent or an executive member and which committee the member chairs where applicable.
1.	Mr. Samuel Ngaruiya Gitau		Chairman, Board of Governors DOB: 11 th Nov, 1984 Master of Law, Lawyer 18 years' experience
2.	Ms. Joyce Waruguru		Board Member DOB: 4 th August, 1972 Master in Theology, Counselor 15 years' experience
3.	Ms. Pamela Odera		Board Member DOB: 15 th May, 1966 Master in Business Administration, Strategic Management. CPA(K) Accountant 33 years of experience

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4.	Mr. Norbert Musyoki		<p>Board Member</p> <p>DOB: 14th June, 1956 Master of Architecture, Architect 36 years' experience</p>
5.	Ms. Natasha J Montet		<p>Board Member</p> <p>DOB: 9th Oct, 1976 Masters (Information Management Systems), Business Analyst 25 years' experience</p>
6.	Ms. Anne Muthoni Nyongesa		<p>Board Member</p> <p>DOB: 5th March, 1984 Master in law Group Assistant Company Secretary 16 years of experience</p>
7.	Mr. Patrick Kibet		<p>Board Member</p> <p>DOB: 6th November, 1973 Master in Business Administration - Finance, Managing Director 28 years of experience</p>






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8.	Ms. Dinah Akoth		<p>Chief Executive Officer/ Principal Secretary of the Board/Council</p> <p>Not a member of ICS as it's not a requirement for a trainer. DOB: 9th April, 1969 Masters in Project Planning & Management Has 27 years in training with 8 years in Top Management</p>
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Limuru Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

4. Key Management Team

No.	Name of the Staff	Passport photo	Responsibility
1.	Dinah Akoth Obonyo		Principal DOB: 9 th April, 1969 Master in Project Planning & Management Has 27 years in training with 8 years in Top Management
2.	Peter Mbuu Kang'ora		Deputy Principal DOB 4 th July 1966 Diploma in Building & Civil Engineering Has 31 years training
3.	Alice Wangari Maina		Deputy Principal in Academics DOB: 18 th January 1970 Masters in Religious Studies BA in Counselling Education HD in Counselling Psychology 27 years in training
4.	George Gitau Mwangi		Ag. Registrar DOB: 5 th September 1992 Bsc. Information Technology Has 10 Years in Training
5.	Elizabeth Wambui Ndiguitha		Ag. Dean of Students DOB: 23/02/1990 Bsc. Electrical and Electronics Engineering 10 years in training

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6.	Esther Njeri Wainaina		Accountant DOB: 06/11/1993 Bachelor of Commerce and CPA part 2. 4 years of experience in accounting
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5. Chairman's Statement

It is my pleasure to present the College's Annual Report and Financial Statement for the year ended 30th June 2025.

The College's Board of Governors appreciate the continued support of the Government and all other stakeholders in the daily operations and development of the College.

During the financial year under review, the term of the current Board of Governors expired. All relevant procedures were followed thereafter to ensure the appointment of a new Board of Governors.

The College is in its fourth year of operations and the Board is optimistic that the College is on the upward trend in students' enrolment as student population has grown to 765 students as at 30th June 2025. I acknowledge the contribution of the KCB Foundation Sponsorship for fully sponsoring 23 students within the financial year. As the inaugural Chairman of the College, I feel proud for the milestones the College has achieved so far.

The College has progressed in terms of equipping the workshops to ensure quality training so as to fulfil our mandate to train competent and relevant graduates for the workforce. The College has successfully completed the construction of the Building Technology workshop where masonry, carpentry and plumbing training will be taking place.

The College received capitation, operational grants and scholarship from the Government through the Ministry of Education. I take this opportunity to thank the Government for the support both in financial and policy direction. I also wish to note that the funds together with the bursaries awarded to students, as well as KCB Foundation Sponsorship and fees collected directly from the trainees were prudently utilised as is evidenced in the Financial Statements in this Report. However due to reduction in grants from GOK and non-disbursement of some allocated scholarship amounts, the college was not able to meet its obligations and there exists payables.

The Board of Governors together with the efficient management of the College was instrumental in the realization of the achievements made by the College during the year. I wish to sincerely thank the members of the Board for their oversight and guiding role in the operations of the College.

Sign.....

Mr. Samuel Ngaruiya Gitau
Chairman, Board of Governors

Date.....27/11/25

Limuru Technical and Vocational College

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6. Report of the Principal

I take this opportunity to present Limuru Technical and Vocational College financial statements for the financial year 2024/2025 ending 30th June 2025 in accordance to accrual basis of accounting method under the International Public Sector Accounting Standards (IPSAS)

I appreciate the growth the College has realised in the last four years in operation. The College admitted its first batch of 88 students in September 2021 in various courses in Diploma, Certificate and Artisan which include, Building Technology, Plumbing, Electrical and Electronic Engineering, Welding, Hair dressing and Beauty Therapy, Information Communication Technology, Human Resource Management, Supply Chain Management, Social Work and Community Development, Project Management and Entrepreneurship Development. The College has recorded growth in trainee population and programmes with 55 programmes currently licensed by TVETA and 9 short courses accredited by NITA. The college has also implemented the CBET courses since September 2023 and the current CBET modular program from May 2025. The student enrolment as at 30th June 2025 stood at 765 students.

During the year under review, the College presented candidates for July 2024, November 2024 and March 2025 examination series for KNEC, CDACC AND NITA candidates.

I express my heartfelt gratitude to the training and administrative staff for their selfless efforts in ensuring that training and the overall curriculum implementation was successful during the year. I wish to note that the College has 20 PSC trainers and 18 trainers under Board of Governors terms of service. Due to financial constraints, the College operated with four non-training staff that is, an accountant, secretary, technician and an assistant clerk and three support staff. The College contracted other services a finance consultant and other services such as internal auditing from the mentoring Institution in order to ensure crucial services are not compromised. On this note, I sincerely thank the Government through the Ministry of Education for the relentless efforts in ensuring that the College is staffed.

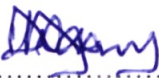
During the year under review, the College received capitation, operational grants and scholarship from the Government through the Ministry of Education. I take this opportunity to thank the Government for their financial support and policy direction. I also wish to report that the funds together with the bursaries awarded to students, KCB Foundation Sponsorship and the fees collected directly from the trainees were prudently utilised as is evidenced in the financial statements in this report. The Board of Governors whose terms of service expired within the financial year was instrumental in the realization of the achievements made by the College during the year. I wish to sincerely thank the Chairman and the members for their oversight and guiding role in the operations of the College.

The College has successfully completed the construction of the Building Technology workshop where masonry, carpentry and plumbing training will be taking place.

Limuru Technical and Vocational College
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The College also participated actively in Co-curricular activities. This led to motivation and exposure of both the staff and students.

I wish to sincerely take this opportunity to thank the Board of Governors, Management and all members of staff for their commitment and dedication to their work and effort that have seen Limuru Technical and Vocational College move forward in attaining its vision and mission.

Sign.....
Dinah Akoth Obonyo
Principal/Secretary BOG

Date.....27-11-2025

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

7. Statement of Performance against Predetermined Objectives

Limuru Technical and Vocational College is currently operating under a five-year Strategic Plan for period 2023-2027.

Limuru Technical and Vocational College has 7 strategic pillars within current Strategic Plan for the FY 2024-2025. These strategic pillars are as follows:

KRA 1: Teaching & Learning, Research and Innovation

KRA 2: Student-Centred College

KRA 3: Service Delivery

KRA 4: Partnerships and Linkages

KRA 5: Technology Integration

KRA 6: Human Resource

KRA 7: Financial Management

Limuru Technical and Vocational College develops its annual work plans based on the above 7 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2024/2025 period for its 7 strategic pillars, as indicated in the table below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Key result area 1: Teaching & Learning, Research and Innovation	Excel in Teaching Learning, Research and Innovation.	-Improved performance index in examination. -Increased number of students absorbed in the job market -Number of Research papers and innovations	-Enhancing curriculum implementation -On time syllabus coverage and continuous assessment for students -Participation in TVET Fair and robotic contest and research paper presentation.	-Trainers have developed and are able to adhere to schemes of works, course outlines and moderated assessments -Trainers and trainees have participated in the TVET fair and robotic contest.
Key result area 2: Student-	Enhance student satisfaction	-Good customer satisfaction index,	-Review and monitor customer service delivery charter. -Carry out students' satisfaction survey.	Services to the students are offered as per the

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Centred College		-Reduced number of students complaints and student retention -Number of students enrolled	-Accessibility to adequate physical infrastructure. -Increased security and safety in the college -Check on student welfare, elect student leaders, construction of a temporary students canteen	service delivery charter. Student satisfaction survey report in place. Improved student satisfaction levels.
Key result area 3: Service Delivery	Promote good governance and efficient service delivery culture	Good customer satisfaction index and Compliance to policies	-Promote good governance and efficient service delivery culture -Carry out customer satisfaction survey -Create awareness and Comply with Ethics and anti-corruption act.	-Services to the customers are offered as per the service delivery charter. -Compliance reports to prevent corruption and maintain ethical standards
Key result area 4: Partnerships and Linkages	Establish strategic Partnerships, Linkages and Collaborations	Number of MoUs and agreements	Identify and form linkages with the following companies BATA, Autosprings (PLC) EA Ltd, Limuru Dairy, Carol Oceanic and KCB Foundation.	-Students are attached for experimental learning in the industry -Dual training in place.
Key result area 5: Technology Integration	Increase access to and use of ICT	Reduced paper work, Increased ratio of ICT equipment and % of trainers who effectively use ICT tools	-Install ERP system with modules such as Admissions, Finance, Procurement, Human resource, Examination, student portal and Bank integration. -Purchase ICT equipment -Have Jitume lab in place	-Automation of services -ICT infrastructure in place

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Key result area 6: Human Resource	Develop Human Resource capacity and improve corporate image	Number of staff trained based on Training Needs Assessment	-Undertake staff training needs assessment (TNA) -Entrench staff performance and appraisal - progression manual	-TNA report in place -Staff appraisal is done annually -Career progression manual in place
Key result area 7: Financial Management	Enhance Financial Stability	Number of Income Generating Activities (Appropriation in Aid) Reduced Expenditure	Creation of additional revenue streams, e.g production of fabricated desks and lecture chairs, production of concrete building materials. -Use alternative sources of energy such as solar powered lighting system	Hair and beauty services offered

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8. Corporate Governance Statement

The Board of Governors of Limuru Technical and Vocational College were appointed in December 2021, by the Cabinet Secretary, Ministry of Education. It was inaugurated in February, 2022 and Inducted into office in April, 2022. The terms of office of the Board of Governors expired in December 2024, the chairperson's Mr Samuel Ngaruiya Gitau and Ms Natasha J Montet terms of office expired in February 2025.

The Board of Governors consists of seven members drawn from various field of expertise. The Board has a representative of Principal Secretary, Ministry of Education and who is not a board member. The Principal of Limuru Technical and Vocational College is the Secretary to the Board. The Board has an existing board charter which was approved in a full board meeting.

The principal reports to the Cabinet Secretary, Ministry of Education through Permanent Secretary, State Department of TVET the need to have college board of governors. The members of the board are appointed by the Cabinet Secretary, Ministry of Education on behalf of the College. Any member of the board can resign from the office by giving a notice in writing to the Cabinet Secretary through the principal. A member can automatically be removed from office for non-attendance of the scheduled meetings.

The members declare conflict of interests during board meetings. Conflict of interest register is maintained. In every meeting of the board, members confirm attendance which must meet 2/3 rule in order to have a quorum.

The Board meetings are scheduled once per every quarter with an allowance of emergency meeting as need arises. The Board met three times during the year, one of the meeting being to discuss the policies at KICD, The Finance, Administration and Development committee met four times, The Education, Training and Research Committee met twice and the Risk, Audit and Compliance committee met once during the year. The Board members earn a sitting allowance for every meeting attended.

The Board of Governors has three sub-committees, that is,

- i. Finance, Administration and Development committee;**
- ii. Education, Training and Research Committee;**
- iii. Risk, Audit and Compliance Committee.**

Roles and Functions of the Board of Governors include:

- Discuss and Approve the budget for each financial year;
- Approve financial reports for every quarter and for each year.;
- Negotiate and Approve performance contracts for each year;
- Administer and Manage property of the Institution;
- Develop and Implement the College Strategic Plan;
- Determine the fees payable and method of payment;
- Receive on behalf of the Institution, fees, grants, subscriptions, donations, bursaries;
- Recruit and appoint trainers from among qualified professionals;

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- Determine suitable terms and conditions of service for support staff, trainers and remunerate staff of the College;
 - Provide the welfare of the students and staff of the College;
- Prepare annual financial statements and submit to the relevant authority

9. Management Discussion and Analysis

The entity's operational and financial performance

The College has a total enrolment of 765 students who are undertaking Diploma/Level 6, Certificate/Level 5 and Artisan/Level 4 and Level 3 courses in Building Technology, Plumbing, Electrical and Electronic Engineering, Welding, Automotive Engineering, Fashion Design, Cosmetology, Hospitality and tourism, Information Communication Technology, Human Resource Management, Supply Chain Management, Social Work and Community Development, Project Management and Entrepreneurship Development and NITA Grade I, II, III courses. During the year under review, the College received operational grants amounting to Ksh 1,999,310; capitation grants amounting to Ksh. 1,791,200; Higher Education Fund Scholarship amounting to Ksh. 765,954. The grants are accounted for as received. The college has been able to meet its financial obligations as they fall due. The college thus is able to comply with legal requirements in filing and remitting statutory payments.

Entity's compliance with statutory requirements

The College has complied with the statutory requirements. The College is fully accredited with TVETA. All statutory remittances are paid to the respective authorities and in due time.

Key projects and investment decisions the entity is planning/implementing

The College has been operating using a single-phase power supply sourced from the neighboring church. With the support of the Limuru Constituency Development Fund (CDF), the College is currently in the process of acquiring a three-phase power connection, and groundwork had already commenced by 30th June 2025. Additionally, the CDF has initiated the construction of a perimeter wall, which is currently halfway complete.

Major risks facing the entity

Land is limited for future growth of the college and this may hinder potential growth to its full capacity.

The college has not yet managed to employ key personnel in procurement, Human resource, internal audit and finance function due to limited financial resources. The college seeks professional services from the mentoring institution.

Material arrears in statutory/financial obligations

The College has no material arrears in statutory and or financial obligations

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The entity's financial probity and serious governance issues

The College has no governance issue. However, title deed for the land has not been obtained from the County Government of Kiambu.

10. Environmental and Sustainability Reporting Statement

Limuru TVC exists to transform lives. This is our purpose; the driving force behind everything we do. It is 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 organisation's strategic objectives.

Provide market driven and competency based training for students.

The college has continued to apply effective training methods geared towards producing competent graduates for a globally competitive market. The college's main focus being students' has ensured that the training meets the students' expectations through acquisition of required knowledge, attitudes and competencies.

Promote good governance and efficient Service Delivery Culture

The college has established systems processes which are focused towards the achievement of the set targets and objectives.

Establish Partnerships, Linkages and Collaboration

The college is working closely with relevant partners to share knowledge and experiences.

Increase access to and use of ICT

The college has enhanced use of Information and Communication Technology in their day-to-day college operations. Through acquisition of training equipment

Develop Human Resource Capacity and improve Corporate Image

The college has developed and maintained human capital that will reflect a positive image of the organization. The College is in the process of developing Human Resource Manual, Career progression guidelines and Scheme of Service for the management of employee welfare.

Enhance financial sustainability

The college has ensured prudent utilization of the available financial resources. It is also in the process of introducing income generating activities to generate more financial resources for sustainability

Corporate Social Responsibility / Community Engagements

The college did not engage in any corporate social responsibility during the year due to financial constraints. However, the college source unskilled labour from the community on casual basis.

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

11. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the College affairs.

Principal activities

The Principal activity/mission of Limuru TVC is to teach and train at TVET level as outlined in the TVET Act, 2013.

Results

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

Board of Governors

The members of the Board who served during the year are shown on page vii.

Auditors

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the College for the year ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary of the Board
Nairobi

Date: 27-11-2025
.....

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

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 of Limuru TVC, which give a true and fair view of the state of affairs of Limuru TVC at the end of each financial year and the operating results of Limuru TVC for that year. The Board members are also required to ensure that Limuru TVC keeps proper accounting records which disclose with reasonable accuracy the financial position of Limuru TVC. The Board members are also responsible for safeguarding the assets of Limuru TVC.


The Board members are responsible for the preparation and presentation of the Limuru TVC financial statements, which give a true and fair view of the state of affairs of Limuru TVC for and as at the end of the financial year ended on 30th June 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of Limuru TVC; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of Limuru TVC; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


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

Nothing has come to the attention of the Board members to indicate that Limuru TVC 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 Limuru TVC financial statements were approved by the Board on 22-8-2025 and signed on its behalf by:

Name: Samuel N. Gifau
Signature: 
Chairperson of the Board

Name: Amah Obonyo
Signature: 
Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON LIMURU 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 Limuru Technical and Vocational College set out on pages 1 to 42, 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 Limuru Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances in the Financial Statements

Review of the financial statements revealed the following inconsistencies;

- i. The statement of comparison of budget and actual amounts reflects actual amounts which differ with the amounts disclosed in the statement of cash flows with no reconciliation provided as analyzed below;

Components	Statement of Comparison of Budget and Actual Amounts (Kshs)	Statement of Cash Flows (Kshs)	Variance (Kshs)
Rendering of Services	27,295,010	15,783,566	11,511,444
Use of Goods and Services	13,094,170	10,003,233	3,090,937
Employee Costs	7,100,277	6,987,105	113,172
Contracted Services	889,260	802,260	87,000
Development Expenditure PPE	5,600,319	4,409,519	1,190,800

- ii. The statement of comparison of budget and actual amounts reflects total actual revenue amount of Kshs.31,874,024 while a re-computation reveals an amount of Kshs.31,910,823 resulting to an unexplained variance of Kshs.36,799.
- iii. The statement of comparison of budget and actual amounts reflects surplus for the year amount of Kshs.4,476,302 which has been reconciled to the cash and cash equivalents balance of Kshs.85,335. However, the reconciling items in respect to receipts from student debtors and fees received in advance amounts of Kshs.2,361,040 and Kshs.2,128,682 differ with the amounts of Kshs.2,348,140 and Kshs.2,141,582 respectively as disclosed in the statement of cash flows. The variances were not reconciled.

- iv. Note 25 to the financial statements reflects cash generated from operations which further reflects surplus for the year amount of Kshs.8,064,976 which differs with the net surplus amount of Kshs.7,971,476 reflected in the statement of financial performance resulting to unexplained variance of Kshs.93,500.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Staff Training, Development and Capacity Building

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services amount of Kshs.13,094,170 which further includes staff training, development and capacity building amount of Kshs.1,201,228. However, review of the payment records revealed that payments totalling Kshs.534,218 were not supported with training plan for staff, notifications to attend the trainings, certificates for trainings and participation and training needs assessment.

In the circumstances, the accuracy, regularity and completeness of staff training, development and capacity building amount of Kshs.1,201,228 could not be confirmed.

3. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 16 to the financial statements reflects receivables from exchange transactions balance of Kshs.17,086,024 which further includes a balance of Kshs.6,631,290 that has been outstanding for over one (1) year. In addition, the receivables balance increased by Kshs.6,568,440 or 62% from the financial year ended 30 June, 2024 balance of Kshs.10,517,584. The significant balance of fee arrears is an indication of Management's inability to collect the receivables which may result in bad debts and inability to effectively deliver services.

In the circumstances, the accuracy and full recoverability of the receivables from exchange transactions balance of Kshs.17,086,024 could not be confirmed.

4. Lack of Valuation and Ownership Documents for Land

The statement of financial position and as disclosed in Note 18 to the financial statements reflects property, plant and equipment balance of Kshs.56,090,600 which include land with Nil value. However, the College did not provide any land ownership documents such as title deed or allotment letter to prove ownership of the land on which the buildings are sited. In addition, the land has not been valued.

In the circumstances, the accuracy, existence and ownership of property, plant and equipment balance of Kshs.56,090,600 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Limuru Technical and Vocational College Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical

requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on a comparable basis of Kshs.53,261,530 and Kshs.31,874,024 respectively, resulting to an under-funding of Kshs.21,387,506 or 40% of the budget. Similarly, the College spent Kshs.27,434,521 against actual revenue of Kshs.31,874,024 resulting to underutilization of Kshs.4,439,503 or 14% of the actual revenue.

The underfunding and underutilization affected the planned activities of the College and may have impacted negatively on service delivery.

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

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Limuru Technical and Vocational College in 2024/2025 revealed that the following matters remained unresolved;

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Unsupported Cash and Cash Equivalents
3	2023/2024	Long Outstanding Receivables from Exchange Transactions
4	2023/2024	Lack of Land Ownership Documents
5	2023/2024	Unsupported Renumeration of Board Members
6	2023/2024	Irregular Procurement of Goods and Services
7	2023/2024	Lack of Annual Governance Audit and Performance Evaluation
8	2023/2024	Irregular Cash Reimbursement for Student Activities Expenses

	Financial Year	Audit Issue
9	2023/2024	Unsupported Recruitment of Staff
10	2023/2024	Lack of Proper Controls for Cash Management System
11	2023/2024	Lack of Disaster Recovery Plan
12	2023/2024	Lack of Functional Procurement, Human Resources and Internal Audit Units

Other Information

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

In connection with my audit on the Limuru Technical and Vocational 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 no 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. Long Outstanding Trade and Other Payables from Exchange Transactions

The statement of financial position and as disclosed in Note 20 to the financial statements reflects trade and other payables from exchange transactions balance of Kshs.5,221,001.

However, review of the aging analysis revealed that the balance increased in the current financial year by Kshs.3,072,900 or 143% of the prior year balance. Management did not provide steps taken to ensure that payables do not accumulate and that they form the first charge. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates. Further, it was noted that an amount of Kshs.212,078 had been outstanding for over one(1) year.

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

2. Irregular Procurement of Printers

Contract for supply of computers, laptops and printers under tender number LTVC/PO/RFQ/CL&P02/2024-2025 was awarded to a Firm at a contract price of Kshs.382,000. However, review of the procurement records revealed the following anomalies;

- i. Review of records revealed that three (3) members were appointed to carry out evaluation, however, the evaluation minutes and report did not contain scores from each of the committee members.
- ii. The evaluation minutes revealed only financial appraisal. Therefore, the preliminary and technical evaluations were not done.
- iii. Professional opinion for the procurement was not prepared.
- iv. Notification of award and regret letters were not prepared and sent to the bidding suppliers.
- v. Review of procurement records indicated that the local purchase order and contract agreement were not issued to the lowest evaluated bidder.

This was contrary to Regulation 158 of the Public Procurement and Asset Disposal Regulations, 2020 which requires procurement of goods, works and services to be competitive.

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

3. Irregular Procurement of Solar Security Lighting Installation

Contract for supply of solar security lighting installation under tender number LTVC/PO/RFQ/EEM03/2024 was awarded at contract prices of Kshs.497,900 and Kshs.70,000 for installation materials and labour, respectively. However, review of the procurement records revealed the following anomalies;

- i. Market survey for the supplies was not carried out to identify best price for the supplies contrary to Section 54(2A) of the Public Procurement and Asset Disposal

Act, 2015 which requires the head of the procurement function to carry out market surveys to inform the placing of orders or decision making on a procurement by the relevant awarding authority.

- ii. Review of records revealed that three (3) members were appointed to carry out evaluation, however, the evaluation minutes and report did not contain scores from each of the committee members.
- iii. The evaluation minutes revealed only financial appraisal. Therefore, the preliminary and technical evaluations were not done.
- iv. Professional opinion for the procurement was not prepared.
- v. Notification of award and regret letters were not prepared and sent to the bidding suppliers.
- vi. Certification of works was not done by the Clerk of works and there was no proof of certification of contractors by National Construction Authority (NCA).

This was contrary to Regulation 158 of the Public Procurement and Asset Disposal Regulations, 2020 which requires procurement of goods, works and services to be competitive.

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

4. Irregular Procurement for Construction of Building and Civil Engineering Workshop

Contract for construction of building and civil engineering workshop which includes plumbing, carpentry and masonry workshops, was done through labour-based method and material supply was done by ten (10) companies and various skilled and unskilled workers for labour services at contract prices of Kshs.3,076,749 and Kshs.536,800 respectively. However, review of procurement records revealed the following anomalies;

- i. Market survey was not carried out to identify best price for the supplies contrary to Section 54(2A) of the Public Procurement and Asset Disposal Act, 2015 which requires the head of the procurement function to carry out market surveys to inform the placing of orders or decision making on a procurement by the relevant awarding authority.
- ii. Review of records revealed that three (3) members were appointed to carry out evaluation, however, the evaluation minutes and report did not contain scores from each of the committee members.
- iii. The evaluation minutes revealed only financial appraisal. Therefore, the preliminary and technical evaluations were not done.

- iv. Professional opinion for the procurement was not prepared.
- v. Notification of award and regret letters were not prepared and sent to the bidding suppliers.
- vi. Certification of works was not done by the Clerk of works and there was no proof of certification of contractors by NCA.
- vii. Review of records indicated that the local purchase order and contract agreement was not issued to the lowest evaluated bidder.
- viii. Site handing over report for the commencement of the project was not provided.
- ix. Eight (8) officers were appointed to the Project Management Committee, however, there was no project progress report provided.
- x. Certificate of completion was not provided.

This was contrary to Regulation 158 of the Public Procurement and Asset Disposal Regulations, 2020 which requires procurement of goods, works and services to be competitive.

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

5. Failure to Undertake Stock Take

The statement of financial position and as disclosed in Note 17 to the financial statements reflects inventory balance of Kshs.1,268,643. However, Management did not conduct annual stock take at the close of the financial year. Therefore, there was no stock take report to inform the actual stock status as at 30 June, 2025. Further, Management did not prepare semi-annual report on obsolete and unserviceable store items contrary to Regulation 172 of the Public Procurement and Asset Disposal Regulations, 2020 which states that officer in charge of stores of a procuring entity shall report half-yearly in writing to the head of the procurement function of any obsolete or unserviceable stores, ensure damaged and expired stores for condemnation are kept separately from undamaged and unexpired stores and ensure all stores of a highly inflammable or explosive nature are kept in a separate store-room.

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

6. Insurance Costs

6.1 Lack of WIBA Insurance and Staff Medical Insurance Policy for Employees

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services amount of Kshs.13,094,170 which further includes insurance expenses of Kshs.135,750 relating to student insurance. However,

during the year under review, Management did not procure Work Injuries Benefit Insurance (WIBA) Policy for its employees. This was contrary to Section 7(1) of the Work Injuries Benefit Act, 2007 which requires every employer to obtain and maintain an insurance policy, with an insurer approved by the Cabinet Secretary in respect of any liability that the employer may incur under this Act to any of his employees.

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

6.2 Failure to Insure College Buildings

Management did not have insurance cover for the College's buildings to mitigate against losses in case of a disaster. This was contrary to Section 79(2)(c) of the Public Finance Management Act, 2012, which requires a public officer within his area of responsibility to ensure that adequate arrangements are made for the proper use, custody, safeguarding and maintenance of public property including application of best effort to prevent any damage from being done to the financial interest of the College. Failure to insure the buildings expose the College to potential losses and undermines the financial protection measures intended by the legislation.

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

7. Irregular Procurement of Students' Insurance

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects use of goods and services amount of Kshs.13,094,170 which includes insurance cost of Kshs.135,750. Review of procurement records revealed that an insurance company was awarded a contract to provide student insurance cover commencing September, 2024. However, evaluation minutes dated 24 September, 2024 revealed that quotations were received from one supplier who was evaluated and awarded the contract. The evaluation report did not state the cost of the cover and the number of students it was to cover. Further, professional opinion stated that the method of procurement was an open tender, however, quotations were issued. In addition, the contract agreement between the College and the insurance company was not provided.

This was contrary to Regulation 158 of the Public Procurement and Asset Disposal Regulations, 2020 which requires procurement of goods, works and services to be competitive.

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

8. Irregularities in Supply, Installation and Configuration of Management Information System

The statement of financial position and as disclosed in Note 19 to the financial statements reflects intangible assets balance of Kshs.1,776,500. Review of procurement documents revealed that the College acquired a Management Information System, a five-module ERP system. As at the time of audit in October, 2025, the System was said to be

operational, however, the modules had not been fully adopted, despite lapse of the extension period and the contract price having been fully paid.

Further, the Service Level Agreement was not provided as it was stated in the extension letter that it would take place after the end of the warranty. In the circumstances, it was not possible to confirm the quality-of-service delivery and the responsibilities of the vendor to the College. This was contrary to Regulation 158 of the Public Procurement and Asset Disposal Regulations, 2020 which requires procurement of goods, works and services to be competitive.

In the circumstances, Management was in breach of the law and value for money on the ERP system could not be confirmed.

9. Irregular Appointment of Board Members

Review of Board appointment records revealed that the Chairperson of the Board was appointed for a period of three (3) years. However, the Education Act provides that the Chairperson shall serve for a term of four (4) years and shall be eligible for reappointment for one further term of four (4) years. Therefore, the appointment of the Board Chairperson was inconsistent with the provisions of the Act governing the tenure of the Chairperson and Board members.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Weaknesses in Payroll Management Process

The College maintained manual payroll prepared by the Finance Department. The Finance Officer prepared the payroll and made payment which was an indication of lack of segregation of duties. Further, Management did not maintain a staff complement or a record of all staff employed by the College. It was therefore not possible to confirm the

authenticity of the payroll in place. In addition, the College did not provide a staff establishment. Therefore, it was not possible to confirm whether the staff in place were optimal as required by the Employment Act, 2007.

In the circumstances, the effectiveness of the internal controls in payroll management could not be confirmed.

2. Lack of Functional Procurement, Human Resources, ICT and Internal Audit Units

The revised Strategic Plan 2023-2027 for the College provides for optimal staff establishment of one (1) officer for each department of procurement, audit and human resource to ensure efficient service delivery to the students and staff of the College. However, the College did not have any staff member in all the departments, instead, the accountant doubled up as accountant and human resources officer, while the clerk doubled up her responsibilities with procurement responsibilities and stores officer of the College without proper appointment of the added responsibilities or acting capacity by Management.

Further, the Registrar carried out the responsibilities of ICT officer despite budgeting for ICT Assistant at a cost of Kshs.252,000 in the financial year ended 30 June, 2025. In addition, the College did not have in place an internal audit unit but utilized the services of Internal Audit Unit of the mentor Institution, Kiambu National Polytechnic.

In the circumstances, the College was not optimally staffed for efficient service delivery to its stakeholders.

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 the Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the Fund'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.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 December, 2025

Limuru 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	2024-2025	2023-2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments-gifts and services-in-kind	6	4,556,464	8,024,453
		4,556,464	8,024,453
Revenue from exchange transactions			
Rendering of services	7	27,295,010	18,738,484
Miscellaneous Income	8	22,550	-
Revenue from Exchange transactions		27,317,560	18,738,484
Total revenue		31,874,024	26,762,937
Expenses			
Use of Goods and Services	9	13,094,170	11,484,026
Employee costs	10	7,100,277	5,282,341
Board of Governors expenses	11	403,507	1,073,043
Depreciation and amortization expense	12	2,068,346	1,824,374
Repairs and maintenance	13	346,988	277,770
Contracted services	14	889,260	703,440
Total expenses		23,902,548	20,644,994
Net surplus/(deficit) for the year		7,971,476	6,117,943

(The notes set out on pages 8 to 47 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 47 were signed by:



Chairman of Board

Date 27/11/25



Principal

Date 27-11-2025



Finance Officer

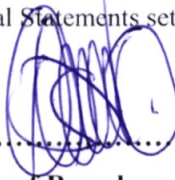
ICPAK No. 8793
Date 27/11/2025

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

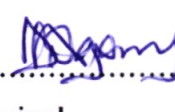
15. Statement of Financial Position as at 30th June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	15	85,335	36,799
Receivables from exchange transactions	16(a)	17,086,024	10,517,584
Inventories	17	1,268,643	741,629
Total Current Assets		18,440,002	11,296,012
Non-current assets			
Property, plant and equipment	18	56,090,600	53,535,127
Intangible Assets	19	1,776,500	800,000
Total non - current assets		57,867,100	54,335,127
Total assets (A)		76,307,102	65,631,139
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	20	5,221,001	2,148,101
Refundable deposits from customers	21	106,760	103,760
Payments received in advance	23	2,265,880	1,919,822
HELB Funds	24	126,987	18,813
Total current liabilities		7,720,628	4,190,496
Non-current liabilities		-	-
Total non-current liabilities		-	-
Total liabilities (B)		7,720,628	4,190,496
Net assets (A-B)		68,586,474	61,440,643
Represented By:			
Revaluation Reserves		-	-
Accumulated surplus		12,315,901	5,170,070
Capital Fund		56,270,573	56,270,573
Total net assets and liabilities		68,586,474	61,440,643

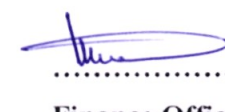
The Financial Statements set out on pages 1 to 47 were signed by:



 Chairman of Board



 Principal



 Finance Officer

Date 27/11/25

Date 27-11-2025

ICPAK No. 8793
 Date 27/11/2025

Limuru 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

	Revaluation reserve	Accumulated Fund	Capital/	Total
			Grants/Fund	
Balance b/f as at July 1, 2023	-	(373,406)	56,270,573	55,897,167
Assets estimated cost	-	-	-	-
Total comprehensive income	-	6,117,942	-	6,117,942
Less Capitation utilized to clear debtors**	-	(574,466)	-	(574,466)
Balance c/d as at June 30, 2024	-	5,170,070	56,270,573	61,440,643
Balance b/f as at July 1, 2024	-	5,170,070	56,270,573	61,440,643
Assets estimated cost	-	-	-	-
Total comprehensive income	-	7,971,476	-	7,971,476
Less Capitation utilized to clear debtors**	-	(825,645)	-	(825,645)
Balance c/d as at June, 30 2025	-	12,315,901	56,270,573	68,586,474

Note**

Capitation utilized to clear debtors relate to some of the students who were declared as debtors in the preceding Financial Year and they benefited from capitation grants/sponsorship received in the current Financial Year, hence their fees balances were reduced depending on how much was outstanding against received capitation.

Note:

1. For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).

Limuru Technical and Vocational College
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17. Statement of Cash Flows for the year ended 30 June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Government grants and subsidies	6	4,556,464	8,024,453
Rendering of services	Pg 5	15,783,566	9,205,067
Miscellaneous Income	8	22,550	-
Receipts from student debtors	16	2,348,140	1,271,787
Refundable deposits received	21	3,000	51,000
Fees received in advance	23	2,141,582	1,616,023
Previous year Supplier expired cheque reversed to the bank	20	18,000	-
Bursary Fund	20	5,000	-
HELB Funds	24	134,574	135,957
Total Receipts		25,012,876	20,304,287
Payments			
Employees Costs	Pg 5	6,987,105	5,282,341
Board of Governors expenses	11	403,507	1,073,043
Use of Goods and Services	Pg 5	10,003,233	10,123,399
Repairs and Maintenance	13	346,988	277,770
Contracted Services	Pg 5	802,260	703,440
Payment paid in advance to Naivas Supermarket	16	26,305	-
Supplier payments	20	1,959,023	1,102,547
Refundable deposits paid	21	-	103,000
HELB Refunds	24	26,400	117,144
Total Payments		20,554,821	18,782,684
Net cash flows from operating activities	25	4,458,055	1,521,603
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	Pg 5	(4,409,519)	(1,601,274)
Net Cash flows from investing activities		(4,409,519)	(1,601,274)
Net increase/(decrease) in cash and cash equivalents		48,536	(79,671)
Cash and Cash equivalents at 1st July 2024	15	36,799	116,471
Cash and cash equivalents at 30th June 2025	15	85,335	36,799

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

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Statement of Cash Flows (Continued)

Guiding notes on the adjustments of non-cash items

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Rendering of Services	7	27,295,010	18,738,484
Less Accrued revenue	16	(11,511,444)	(9,533,417)
Cash outflow		15,783,566	9,205,067

Use of Good and Services	9	13,094,170	11,484,026
Less/Add(Decrease)/Increase in inventories	17	527,014	177,474
Less Accrued Expenses as at 30th June	20	(3,617,951)	(1,538,101)
Cash outflow		10,003,233	10,123,399

Employee costs	10	7,100,277	5,282,341
Less Accrued Expenses as at 30th June	20	(113,172)	-
Cash outflow		6,987,105	5,282,341

Contracted services	14	889,260	703,440
Less Accrued Expenses as at 30th June	20	(87,000)	-
Cash outflow		802,260	703,440

Property, Plant and Equipment	18	8,430,588	1,411,274
Less Transfers(Disposal)	18	(3,900,269)	-
Less Accrued Expenditure for the period(Solar installation)	20	(520,800)	(210,000)
Cash outflow	A	4,009,519	1,201,274

Intangible Assets	19	1,070,000	800,000
Less Accrued Expenditure for the period	20	(670,000)	(400,000)
Cash outflow	B	400,000	400,000
Purchase of property, plant, equipment and intangible assets Cashflow(A+B)		4,409,519	1,601,274

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18. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2025

Description	Original annual Budget	Adjustments	Final Annual Budget	Actual on comparable basis	Performance difference	Utilization Difference	Explanation
	Kshs	Kshs	Kshs	Kshs	Kshs	%	
	a	b	c=a+b	d	e=(c-d)	f=d/c*100	
Budget carryovers from the previous year		36,799		36,799			
Revenue							
Government grants and subsidies	1,410,000	2,590,000	4,000,000	4,556,464	(556,464)	114%	a)
Rendering of services	49,851,530	(590,000)	49,261,530	27,295,010	21,966,520	55%	b)
Miscellaneous Income	-	-	-	22,550	(22,550)	100%	c)
Total revenue	51,261,530	2,000,000	53,261,530	31,874,024	21,387,506		
Expenses							
Use of Goods and Services	26,615,530	2,000,000	28,615,530	13,094,170	15,521,360	46%	d)
Employee costs	9,062,000	-	9,062,000	7,100,277	1,961,723	78%	e)
Board of Governors expenses	2,314,000	-	2,314,000	403,507	1,910,493	17%	f)
Repairs and maintenance	2,000,000	-	2,000,000	346,988	1,653,012	17%	g)
Contracted services	970,000	-	970,000	889,260	80,740	92%	h)
Total expenditure	40,961,530	2,000,000	42,961,530	21,834,202	21,127,328		
Development expenditure	10,300,000	-	10,300,000	5,600,319	-	54%	i)
Surplus for the period	-	36,799	-	4,476,302	260,178		

(Budget notes)

- a) The Government remitted capitation grants for the previous year in the current year.
- b) Target on realizing revenue has been negatively affected by low enrolment of students.
- c) The college didn't budget for miscellaneous income as it's not a recurring revenue.
- d) Expenditure on use of goods was low due to financial constraints.
- e) The college has not recruited new staff as expected due to financial constraints.
- f) The Board of Governors' tenure expired during the second quarter.
The appointment of a new board had not been concluded by the end of the financial year.
- g) The College has not carried out major repairs and maintenance due to financial constraints.
- h) The college outsourced security services as per the budget expectation.
- i) The college has not procured assets as expected due to financial constraints.

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Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	4,476,302
1	Receipts from student debtors	2,361,040
2	Refundable deposits received	3,000
3	Fees received in advance	2,128,682
4	Previous year Supplier expired cheque reversed to the bank	18,000
5	Bursary Fund	5,000
7	Unutilized HELB Funds received	134,574
8	Unutilized HELB Funds refunds	(26,400)
9	Payment of suppliers	(1,959,023)
10	Accrued revenue	(11,511,444)
11	Accrued expenditure	5,008,923
12	Payment paid in advance to Naivas Supermarket	(26,305)
13	Increase in Inventory	(527,014)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	85,335

19. Notes to the Financial Statements

1. General Information

Limuru TVC is established by and derives its authority and accountability from TVET Act 2013. The Limuru TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. Limuru TVC principal activity is training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the College accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the College.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>(The standard has no impact to the College)</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>(The standard has no impact to the College)</i>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>(The standard has no impact to the College)</i>
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i>

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	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>(The standard has no impact to the College)</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>(The standard has no impact to the College)</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>(The standard has no impact to the College)</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>(The standard has no impact to the College)</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of

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	mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <i>(The standard has no impact to the College)</i>
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iii. Early adoption of standards

The College did not early-adopt any new or amended standards in year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to LIMURU TVC and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

LIMURU 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 college.

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on 9th July 2024. The College budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Taxes

Current income tax

Limuru TVC is exempt from paying taxes as a public training institution

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) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, Limuru 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.

Land and capital work in progress are not depreciated. Capital work in progress relates mainly to the costs of ongoing but incomplete works on buildings and other civil works and installations.

Depreciation on Property, plant and equipment is recognized in the income statement on a reducing balance basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The rates in use are:

Land	-
Buildings	2.5%
Motor vehicles	25%
Furniture and Fittings	12.5%
ICT Equipment	30%
Office Equipment	12.5%

A full year depreciation charge is recognised in the year of asset purchase. Depreciation charge is not recognised in the year of disposal.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as finite and will be amortized for a period of 20 years.

f) Research and development costs

Limuru TVC expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Limuru 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 quarterly with any impairment losses recognized immediately in surplus or deficit.

g) 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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

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

h) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

i) Nature and purpose of reserves

The College creates and maintains reserves in terms of specific requirements. The College maintains Capital and Revenue reserves.

j) Changes in accounting policies and estimates

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

k) Employee benefits

Retirement benefit plans

The College has not established retirement benefit plan but it may be implemented in future as the college expands.

l) 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.

m) Related parties

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

n) Service concession arrangements

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

o) 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 various commercial banks at the end of the financial year.

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

5. Significant Judgments And Sources Of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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.

Provision for Depreciation

This caters for reduction in the value of asset with the passage of time, due to wear and tear. The College use reducing balance method to depreciate its assets using the applicable rates of depreciation as given in note 4(d) above.

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Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional grants		
Capitation grant	1,791,200	3,242,828
Operation grant	1,999,310	2,000,000
HEF scholarship	765,954	2,781,625
	4,556,464	8,024,453
Conditional grants		
library construction	-	-
Development grants	-	-
Total government grants and subsidies	4,556,464	8,024,453

Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY 2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education, State Department of TVET	4,556,464	-	-	4,556,464	8,024,453
Total	4,556,464	-	-	4,556,464	8,024,453

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Notes to the Financial Statements (Continued)

7. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Application	5,000	42,000
Tuition	9,870,733	9,679,103
Electricity, Water and Conservancy	1,187,507	1,000,474
Personnel Emoluments	3,900,831	2,993,658
Local Transport and Travel	1,261,840	902,640
Repairs, Maintenance and Improvement	1,035,918	729,394
Development levy	301,060	201,198
Activity Fees	1,405,391	721,348
Industrial attachment and Insurance	1,108,100	442,735
Registration	232,000	126,800
Student Council	402,600	208,284
Student ID	168,800	124,500
KUCCPS Placement Service	563,500	294,000
T-shirts	-	24,500
Branded Dust Coats	90,600	-
TVETA Fees	231,400	92,500
Exam materials	725,261	862,000
Examination fees	2,895,218	288,350
Centre Fees	41,750	5,000
Modularized Program Assessment Fee	1,867,500	-
Total revenue from the rendering of services	27,295,010	18,738,484

8. Miscellaneous Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Hire of facilities (KCB Foundation hospitality service)	6,000	-
Sale of Tender	2,000	-
Income from Sale of Un-used pipes	14,550	-
Total revenue from Other Income	22,550	-

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Notes to the Financial Statements (Continued)

9. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank charges	62,792	13,190
Petty cash withdrawal charges	-	-
Marketing and Publicity	953,315	118,943
Tender expenses	-	65,000
Local Transport and Travel	697,545	547,600
Telephone and Postage	129,308	105,900
Electricity, Water and Conservancy	263,705	511,019
Office expenses	312,273	189,152
Printing and stationary	552,068	148,603
Cleaning and Sanitation expenses	132,988	81,398
Registration and Suscription	131,700	382,700
Staff training, development and capacity building	1,201,228	1,507,448
Tuition training materials expenses	3,463,135	1,511,298
Insurance	135,750	67,250
Accountancy	100,000	100,000
Sports, Games and Music Activities	1,177,790	1,613,432
Examinations	2,108,990	1,425,810
KUCCPS Placement Service Expense	228,000	177,000
Interview and Recruitment expenses	102,792	1,579,281
External Audit	-	100,000
Internal Audit services	22,500	30,000
Internet expenses	340,237	372,619
PC Expenses	317,404	393,200
Printed and branded items	238,250	273,583
Industrial attachment expenses	22,500	38,500
Uniform expenses	210,000	131,100
Student Governing Council	189,600	-
Medical Expenses	300	-
Total Use of Goods and Services	13,094,170	11,484,026

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

Notes to the Financial Statements (Continued)

10. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	7,100,277	5,282,341
Employee related costs - contributions to pensions and medical aids	-	-
Total Employee costs	7,100,277	5,282,341

11. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
BOG Chairperson Honoraria	60,000	60,000
Sitting Allowances	254,000	819,646
Board Travelling and Subsistence	64,154	37,500
Board Induction expense	-	100,534
Meeting Administration Expenses	25,353	55,363
Total Board Expenses	403,507	1,073,043

12. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	1,974,846	1,824,374
Intangible assets	93,500	-
Investment property carried at cost	-	-
Total depreciation and amortization	2,068,346	1,824,374

13. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property	346,988	277,770
Equipment	-	-
Vehicles	-	-
Other	-	-
Total repairs and maintenance	346,988	277,770

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

Notes to the Financial Statements (Continued)

14. Contracted Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Security	889,260	703,440
Total contracted services	889,260	703,440

15. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current account	78,385	29,153
Others(specify)	6,950	7,646
Total cash and cash equivalents	85,335	36,799

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

Description	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current account			
Kenya Commercial bank	1275016464	78,385	29,153
Sub- total		78,385	29,153
e) Others(specify)			
Cash in Hand - Office petty cash balance		6,950	7,646
Sub- total		6,950	7,646
Grand total		85,335	36,799

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

Notes to the Financial Statements (Continued)

16. Receivables from Exchange transactions

16 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Student debtors B/F	10,517,584	2,888,290
Less receipts	(2,348,140)	(1,271,787)
add debtors for the period	11,511,444	9,533,417
Less: Transfer from prepaid fees	(816,600)	-
Less: Prepaid fees B/F utilized during the year	(978,924)	(57,870)
Less Capitation utilised to clear debtors	(825,645)	(574,466)
Student debtors C/F	17,059,719	10,517,584
Other Receivables		
Receivable from Naivas Supermarket	26,305	-
Total Receivables	17,086,024	10,517,584

16 (b) Ageing Analysis of Receivables from Exchange transactions

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	FY 2024-2025	% of total	FY 2023-2024	% of the total
Less than 1 year	10,428,429	61%	9,439,888	90%
Between 1- 2 years	6,631,290	39%	1,077,696	10%
Total	17,059,719	100%	10,517,584	100%

Limuru Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025
Notes to the Financial Statements (Continued)

17. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Administration Stationery stores	420,398	284,110
Cleaning Materials stores	23,330	-
Training materials - Tuition Expenses	824,915	444,349
Work in Progress	-	13,170
Total Inventories at lower of Cost and Net Realizable Value	1,268,643	741,629

Detailed disclosure on inventories

	2024-2025	2023-2024
	Kshs	Kshs
Opening balance	741,629	564,155
Additional Inventory in the year	1,268,643	741,629
Inventory expensed in the year	741,629	564,155
Write-downs in the year	-	-
Others specify	-	-
Closing balance	1,268,643	741,629

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

Notes to the Financial Statements (Continued)

18. Property, Plant and Equipment

	Land	Buildings	Furniture and fittings	ICT Equipment	Plant and Equipment	Capital In Progress	Total
Depreciation rate	0%	2.50%	12.50%	30%	12.50%	0%	
Cost	Kshs	Shs	Shs	Shs	Shs	Shs	Shs
At 1st July 2023	-	54,216,548	1,663,300	865,619	732,226	-	57,477,693
Additions during the year	-	-	828,149	-	309,575	273,550	1,411,274
Disposals during the year	-	-	-	-	-	-	-
At 30th June 2024	-	54,216,548	2,491,449	865,619	1,041,801	273,550	58,888,967
Additions during the period	-	3,900,269	-	382,800	520,800	3,626,719	8,430,588
Disposals during the period	-	-	-	-	-	(3,900,269)	(3,900,269)
At 30th June 2025	-	58,116,817	2,491,449	1,248,419	1,562,601	-	63,419,286
Depreciation and impairment							
At 1st July 2023	-	2,676,942	344,380	336,529	171,615	-	3,529,466
Depreciation	-	1,288,490	268,384	158,727	108,773	-	1,824,374
On Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
At 30th June 2024	-	3,965,432	612,763	495,256	280,389	-	5,353,840
Depreciation for the period	-	1,353,785	234,836	225,949	160,277	-	1,974,846
At 30th June 2025	-	5,319,217	847,599	721,205	440,665	-	7,328,686
Net book values							
At 30th June 2024	-	50,251,116	1,878,686	370,363	761,412	273,550	53,535,127
At 30th June 2025	-	52,797,600	1,643,850	527,214	1,121,936	-	56,090,600

Work in Progress is the ongoing in-house construction of training workshops within the college.

Note: The college has not obtained the land title deed from The County Government of Kiambu, hence the land has not been valued.

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

Notes to the Financial Statements (Continued)

19. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	800,000	-
Additions	1,070,000	800,000
At end of the year	1,870,000	800,000
Additions-internal development	-	-
At end of the year	1,870,000	800,000
Amortization and impairment		
At beginning of the year	-	-
Amortization	93,500	-
At end of the year	93,500	-
Impairment loss	-	-
At end of the year	93,500	-
NBV	1,776,500	800,000

The useful life of the intangible assets is assessed as finite and will be amortized for a period of 20 years.

20. Trade and Other Payables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance B/f	2,148,101	1,102,547
Additions for the period	5,008,923	2,148,101
Previous year Supplier expired cheque	18,000	-
Less payments	(1,959,023)	(1,102,547)
Balance B/f	5,216,001	2,148,101
Other Payables		
Bursary Fund	5,000	-
Total trade and other payables from exchange transactions	5,221,001	2,148,101

	FY 2023-2024	% of the Total	FY 2023-2024	% of the Total
Ageing analysis:				
Under one year	5,008,923	96%	2,148,101	100%
1-2 years	212,078	4%	0	0%
2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total (to tie to totals above)	5,221,001	100%	2,148,101	100%

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

Notes to the Financial Statements (Continued)

21. Refundable Deposits from Customers/Students

Description	2024-2025	2023-2024
	Kshs	Kshs
Caution Money		
Caution money B/f	103,760	155,760
Additions for the period	3,000	51,000
less payments	-	(103,000)
Caution money C/f	106,760	103,760

	FY 2023-2024	% of the Total	FY 2023-2024	% of the Total
Ageing analysis:				
Under one year	3,000	3%	51,000	49%
1-2 years	51,000	48%	52,760	51%
2-3 years	52,760	49%	0	0%
Over 3 years	0	0%	0	0%
Total (to tie to totals above)	106,760	100%	103,760	100%

22. Employee Benefit Obligations

The college does not operate a defined benefit scheme for all full-time employees. Employees employed by the Board of Governors are subjected to NSSF contributions.

23. Payment Received in Advance

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance B/f	1,919,822	361,669
Additions for the period	2,141,582	1,616,023
Transfer to fees debtors	(816,600)	-
Fees Overpayment Utilized	(978,924)	(57,870)
Balance C/f	2,265,880	1,919,822

	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Ageing analysis:				
Under one year	2,141,582	95%	1,616,023	84%
1-2 years	124,298	5%	303,799	16%
2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total (to tie to totals above)	2,265,880	100%	1,919,822	100%

Limuru Technical and Vocational College
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Notes to the Financial Statements (Continued)

24. HELB Unutilized Funds

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance B/F	18,813	-
Additions	134,574	135,957
Payments	(26,400)	(117,144)
Balance C/F	126,987	18,813

25. Cash generated from operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus for the year	8,064,976	6,117,943
Adjusted for:		
Depreciation	1,974,846	1,824,374
Working Capital Adjustments		
Increase in Inventory	(527,014)	(177,474)
Increase in Receivables	(8,210,685)	(8,203,760)
Increase/(Decrease)in Payables in operations	1,882,100	435,554
Increase/(Decrease) in Refundable deposits from Customers	3,000	(52,000)
(Decrease)/Increase in HELB Unutilized Funds	108,174	18,813
Increase in Payments received in advance	1,162,658	1,558,153
Net Cash Flow from Operating Activities	4,458,055	1,521,603

Limuru Technical and Vocational College

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

Notes to the Financial Statements (Continued)

26. Financial Risk Management

The College's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The College'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 College 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 College's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the College'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 entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	10,517,584	10,517,584	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	36,799	36,799	-	-
Total	10,554,383	10,554,383	-	-
At 30 June 2025				
Receivables from exchange transactions	17,086,024	17,086,024	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	85,335	85,335	-	-
Total	17,171,359	17,171,359	-	-

Financial Risk Management (Continued)

(i) Credit risk (continued)

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

The College has significant concentration of credit risk on amounts due from students

The Board of Governors sets the College'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 College's Board of Governors, who have built an appropriate liquidity risk management framework for the management of the College's short, medium and long-term funding and liquidity management requirements. The College manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

Limuru Technical and Vocational College

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

Notes to the Financial Statements (Continued)

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	2,148,101	-	-	2,148,101
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	2,148,101	-	-	2,148,101
At 30 June 2025				
Trade Payables	-	5,008,923	212,078	5,221,001
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	5,008,923	212,078	5,221,001

(iii) Market risk

The College is engaging internal audit function of the mentoring institution to assist it in assessing the risk faced by the entity 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 entity'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 College's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

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

Limuru Technical and Vocational College
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Notes to the Financial Statements (Continued)

a) Foreign currency risk

The College has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Limuru Technical and Vocational College

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

Notes to the Financial Statements (Continued)

iii) Capital Risk Management

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	12,409,401	5,170,070
Capital Reserve	56,270,573	56,270,573
Total Funds	68,679,974	61,440,643
Total Borrowings	-	-
Less: Cash and Bank Balances	(85,335)	(36,799)
Net Debt/(Excess Cash and Cash Equivalents)	-	-
Gearing	0%	0%

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27. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Notes to the Financial Statements (Continued)

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Purchases from related parties		
Registration and subscription to market regulators	131,700	382,700
Training and conference fees paid to Govt. agencies	1,201,228	1,507,448
Total	1,332,928	1,890,148
b) Grants /Transfers from the Government		
Grants from National Govt.	4,556,464	8,024,453
Grants from County Government	-	-
Total	4,556,464	8,024,453
c) Key Management Compensation		
Board of Governor's emoluments	403,507	1,073,043
Compensation to Key Management	-	-
Total	403,507	1,073,043

28. Contingent Assets and Contingent Liabilities

The College has no incident that can result into a contingent asset and/or liability

29. Capital Commitments

The College has no capital commitments in place.

30. Deferred Tax Liability

The College is not obligated to pay tax

31. Events After The Reporting Period

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

32. Ultimate And Holding Entity

The College is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

33. Currency

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

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

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 during the financial year 2023/204.

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)
OAG/NRO/LTVC/2023-2024 (16) – A-1 (1.1 & 1.2)	Inaccuracies in the financial statements	All schedules to support the amounts in the statement of cash flows and and statement of changes in net assets are ready and were delivered together with the response to the draft audit report.	Resolved	
OAG/NRO/LTVC/2023-2024 (16) – A-1 (1.3)	Misclassification of Expenditure	During budget preparation for the year under review, we had budgeted that the participation fees, per diem and transport costs associated with activities for staff trainings, student activities, recruitment and Performance contracting be charged under the particular vote heads. In the budget, under explanatory notes to the budget, note no. 9 (Staff recruitment) note no. 16 (Workshops/training/conferences/seminars), note no. 17 (Student Activities) note no. 18 (Performance Contract).	Resolved	
OAG/NRO/LTVC/2023-2024 (16) – A-2	Unsupported Cash and Cash Equivalents	Note 15 (a), page 21 in the Annual report and Financial Statements for the year ended 30 th June 2024, there is the Detailed	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Analysis of Cash and Cash equivalents that shows that the total cash and cash equivalents is ksh 36, 799, Money in the bank ksh 29,153 (Plus Unpresented Cheques of Ksh 125,380) and cash at hand/office petty cash ksh 7,646. This is supported by the signed cash book, Petty cash Register, Bank Reconciliation, bank certificate and Board of Survey.		
OAG/NRO/LTVC/2023-2024 (16) – A-3	Long Outstanding Receivables from exchange transactions	The increase in student debtors is mainly as a result of the undisbursed funds of Government Capitation and scholarships. Students in the old funding model were to receive 30,000 per student per year that is Ksh 7,500 per quarter. However, in the financial year under review, each student received a total of Kshs 14,000 distributed in the quarters as Kshs 3,500, Ksh 3,500, Ksh 4,000 and Kshs 3,000 for Q1, Q2, Q3 and Q4 respectively. For the Scholarships for the September 2023 intake, most students applied and were allocated scholarship amounts under the new funding model but only a few students' amounts were disbursed, Out of the Ksh 4,326,971 only Ksh 2,745,625 was disbursed. For January 2024 and May 2024 students'	Not Resolved	June 2026

Limuru Technical and Vocational College
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		intakes, allocations were done by the end of the financial year under review, no disbursement had been done. The same applies to HELB Loans.		
OAG/NRO/LTVC/2023-2024 (16) A-4	Lack of Land Ownership Documents	The management of the college has already initiated the process of acquiring land ownership documents through the National Government Constituency Development Fund, Limuru Constituency who are assisting the college in resolving the boundary dispute between the college and Kamandura Primary School from which the college land was hived. The college has already obtained an official certificate of search, Title No Limuru/Kamirithu/2856, search No, RE: KBU/LHP/SURV/17/VOL.V11/297	Ongoing	June 2026
OAG/NRO/LTVC/2023-2024 (16) A-5	Unsupported remuneration of Board Members	The college management paid the board member, who attended a Board of Governors Induction at the rate of ksh 10,000 as per diem which is a different rate from the allowance they get when they attend board meetings, since the management thought that the remuneration as is stipulated by the law only applies to	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		BOG meetings. There is the invitation letter, payment of participation fees receipt, program and a signed daily attendance submitted to support this expenditure.		
OAG/NRO/LTVC/2023-2024 (16) B-1	Irregular procurement of goods and services	During the financial year under review, the college experienced financial constraints primarily due to a high wage bill for Board of Governors trainers. Consequently, the institution was unable to engage a qualified procurement officer, resulting in the absence of a professional opinion prior to the procurement of goods and services. However the college engaged a procurement personnel from 1 st September 2024 and this was effected immediately.	Resolved	
OAG/NRO/LTVC/2023-2024 (16) B-2	Lack of Annual Governance Audit and Performance Evaluation.	The performance evaluation was done internally by the members.	Resolved	
OAG/NRO/LTVC/2023-2024 (16) B-3	Irregular cash reimbursement for student activities expenses	All requisitions and supporting documents to any expense are submitted on time and are in custody of the appropriate office they are well noted and documented of which the accounting officer is fully aware. However, the accountant only appends her signature when the funds for	Resolved	

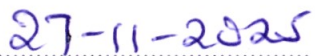
Limuru Technical and Vocational College
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		reimbursement is available since this informs the accounting officer that funds are available and hence need to approve for the reimbursements to be made.		
OAG/NRO/LTVC/2023-2024 (16) B-4	Unsupported recruitment of staff	Recruitment is done when need arises, in circumstances such as when a trainer resigns, when there is new intake and there is need for a trainer. All requests for recruitment go through the board for approval before the recruitment process commences. Minutes of the approval are available and are as available. All employment contracts were renewed on contract basis, Appraisals were done.	Resolved	
OAG/NRO/LTVC/2023-2024 (16) c-1	Lack of proper controls for cash management system	This is well noted and will be effected immediately, A CCTV camera has already been installed at the reception, located next to the Principal's office where the cash is stored. A safe box for proper storage of cash will be put in place and the secretary will be the custodian of the cash and its management.	Resolved	
OAG/NRO/LTVC/2023-2024 (16) c-2	Lack of Disaster recovery plan	The audit recommendation is well noted and the management will collaborate with the ministry of information to develop,	ongoing	31 st December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		approve and implement disaster recovery plans.		
OAG/NRO/LTVC/2023-2024 (16) c-3	Lack of functional procurement, Human resources and internal audits units	On a functional Procurement, a supply chain assistant II was hired in September 2024 and had just resigned at the end of February 2025. The college has started the process of hiring another Supply chain officer. For Human Resource and Internal Audit units, the college has not been able to hire the officers due to the financial constraints. For the Internal Audit, the college works with an internal auditor from the Kiambu National Polytechnic. However, the management will put measures in place to ensure the officers are hired.	Ongoing	June 2026

Sign.....
Dinah Akoth Obonyo
Principal/Secretary BOG

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

Appendix II: Projects Implemented by Limuru TVC

The College has no projects being implemented.

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Appendix III- Inter-Entity Confirmation Letter

MINISTRY OF EDUCATION
 STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING

LIMURU TECHNICAL AND VOCATIONAL COLLEGE
 P.O. BOX 1584-00217, LIMURU
 Cell phone: 0708 652364
 Email: limurutvc@gmail.com

Confirmation of amounts received by Limuru Technical and Vocational College as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
MOE/DTE/SCHO/VOL.1 (87)	23/09/2024	503,745	0	503,917.50	Scholarship
MOE/DTE/SCHO/VOL.1 (94)	23/09/2024	73735.40	0	73,907.90	Scholarship
MOE/DTE/SCHO/VOL.1 (88)	24/09/2024	187,956.70	0	188,129.20	Scholarship
MOE/DTE/CAP9/38(58)	15/05/2024	499,828	0	499,827.50	Q4 FY 2023-2024 Recurrent grants
MOE/DTE/CAP/45 (75)	07/10/2024	582,200	0	582,200	Q1 FY 2024-2025 Capitation
MOE/DTE/CAP9/44(54)	10/10/2024	499,828	0	499,827.50	Q1 FY 2024-2025 Recurrent grants
MOE/DTE/CAP9/45(50)	22/01/2025	499,828	0	499,827.50	Q2 FY 2024-2025 Recurrent grants

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MOE/DTE/CAP/46(67)	14/05/2025	1,209,000	0	1,209,000	Q2 FY 2024-2025 Capitation
MOE/DTE/CAP9(40)	05/06/2025	499,828	0	499,827.50	Q3 FY 2024-2025 Recurrent grants
Total				4,556,464	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Esther Nyeri Sign  Date 27/11/2025

Appendix IV: Reporting of Climate Relevant Expenditures

The College did not incur climate relevant expenditures

Appendix V: Disaster Expenditure Reporting Template

The College did not incur disaster related expenditure during the year.