


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability

 <b>THE NATIONAL ASSEMBLY</b> <b>PAPERS LAID</b>	
<b>DATE:</b> 30 APR 2026	<b>DAY:</b> Tuesday
<b>TABLED BY:</b>	Leader of the Majority Party
<b>CLERK-AT THE-TABLE:</b>	Kamela - T.

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**BOMET CENTRAL TECHNICAL AND  
VOCATIONAL COLLEGE**

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



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**BOMET CENTRAL TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity
KUCCPS	Kenya Universities and Colleges Central Placement Service
NG-CDF	National Government Constituency Development Fund
PSC	Public Service Commission
HELB	Higher Education Loans Board
KNEC	Kenya National Examinations Council
CDACC	Curriculum Development, Assessment and Certification Council
FY	Financial Year
PU	Production Unit

TVEIA  
TVEI

**B. Definition of Key Terms**

**Fiduciary Management** - Members of Management directly entrusted with the entity's financial resources.

**Comparative Year**- Means the prior period.

**2. Key Entity Information and Management**

**(a) Background information**

Bomet Central Technical and Vocational College was incorporated/ established under the TVET Act, 2013 on 16th April 2020. The entity is domiciled in Kenya, in Bomet County. The college is under the Ministry of Education. The college received state of the art institutional management equipment encompassing food and beverage and hairdressing and beauty therapy equipment from China under the Avic International Program. Thus, the institution is a centre of excellence in these two areas. Currently, there are a total of five departments offering different courses accredited by TVETA. The institution continues to roll out more courses with the intention of bridging skills gaps in the market and creating a dynamic workforce that can be relied upon by the nation.

**(b) Principal Activities**

The principal activity/mission/ mandate of the entity is to train learners to become self-reliant and innovative in the dynamic job market. The institution's vision, mission and core values are as stated below:

VISIT → To be a centre of excellence in the provision of relevant quality technical skills.

**Mission**

To develop, innovative and creative human resource competent to meet the dynamic market trends for global requirements.

**Core Values**

Bomet Central Technical and Vocational College is committed to upholding the following core values:

- Teamwork
- Integrity
- Transparency
- Innovation and creativity
- Customer focus and courtesy
- Professionalism
- Versatility

**Principal Mandate and Functions**

Bomet Central TVC is mandated to offer courses at Artisan, Certificate and Diploma levels in various disciplines. The college is expected to mainly produce middle level human resources that are well equipped with technical and business skills required in industry, informal sector and service sectors. The institution will produce technicians and technologists who are expected to play a major role towards the attainment of the Kenya's Vision 2030.

**Core Functions**

- i. Provide directly, or in collaboration with other institutions of higher learning, facilities for technical trainers in technological, professional, scientific education;
- ii. Participate in technological innovation as well as in the discovery, transmission and enhancement of knowledge and to stimulate the

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- intellectual life in the economic, social cultural, scientific, and technological development;
- iii. Contribute to industrial and technological development of Kenya in collaboration with industry and other organizations through transfer of technology;
  - iv. Examine and make proposals for new diploma courses and subjects of study, departments, resource and research and innovation;
  - v. Provide a multi-level system of post-secondary school education and training programmes relevant to the needs of the community covering a wide range of fields and levels with provision for recognition of prior learning and flexibility of transition between programmes;
  - vi. Provide high quality educational, research, cultural, social, recreational, sporting and other facilities;
  - vii. Promote critical enquiry within the college and in the general community and;
  - viii. Foster the general welfare of all staff and students

**(c) Key Management**

The entity's day-to-day management is under the following key organs:

- Board of Governors/ Council
- Accounting officer/ Principal
- Heads of various departments

**(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:

No.	Designation	Name
1.	Principal	<b>Jaafar Idd Faraj</b>
2.	Deputy principal-Administration	<b>Ronald Mutai</b>
3.	Deputy principal-Academics	<b>Stanley Ronoh</b>
4.	Ag. Registrar	<b>Kipngetich Chepkwony</b>
5.	Ag. Dean of students	<b>William Sitienei</b>
6.	Head of Finance	<b>Mercy Chepkirui</b>
7.	Head of Procurement	<b>Mercy Chepkorir</b>

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**Key Entity Information and Management (Continued)**

**(e) Fiduciary Oversight Arrangements**

S/No.	Name of the Sub-committee	Members
1	Finance and Human Resource Management	<ul style="list-style-type: none"> <li>• Caren Kosgei-Chairperson</li> <li>• Linda Chepngetich</li> </ul>
2	Education, Training and Infrastructure	<ul style="list-style-type: none"> <li>• Agnes Ngeno-Chairperson</li> <li>• Eng. Sammy Ngeno</li> <li>• Dr. Mohammed Mraja</li> </ul>
3	Audit and Risk	<ul style="list-style-type: none"> <li>• Francis Burugu Mbugua – Chairperson</li> <li>• Benjamin Kyambo Kimanzi</li> <li>• Eng. Sammy Ngeno</li> </ul>

**(f) Entity Headquarters**

Bomet Central Technical and Vocational College,  
P.O Box 117-20400,  
BOMET, KENYA.

**(g) Entity Contacts**

**Telephone:** (254) 740 633 820 | *Registry?*  
**E-mail:** bometcentraltvc@gmail.com  
**Website:** https://bometcentraltvc.ac.ke

**(h) Entity Bankers**

Kenya Commercial Bank  
Bomet Branch  
P.O Box 264-20400,  
Bomet.  
A/C No. 1178002535

**(i) Independent Auditors**

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




**Key Entity Information and Management (Continued)**

**(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 Council/Board of Governors**





No.	Member/ Director	Position	Details
1.	 Bishop Dr. Augustine K. Rugut	BOG Chairperson	<b>D.O.B:</b> 15/11/1965 <b>Qualifications:</b> - Bachelor in Biblical Studies - Bsc. Agricultural Engineering <b>Work Experience:</b> 24 Years' experience serving under different capacities of theology and administration, having served in Boards of different learning institutions. Over 2 years' experience serving as advisor to Governor, Bomet County.
2.	 Dr. Mohammed Mraja	<ul style="list-style-type: none"> <li>• BOG member</li> <li>• Education, Training and Infrastructure committee Member</li> </ul>	<b>DOB:</b> 1968 <b>Qualifications:</b> - PhD, Islamic Studies - M.A, Islamic studies - BED (Arts), Religious studies <b>Work Experience:</b> over 28 years' experience as a lecturer with 5 years serving in administration in the capacity of Dean.
3.	 Francis Burugu Mbugua	<ul style="list-style-type: none"> <li>• BOG member</li> <li>• Chairperson, Audit and Risk committee</li> </ul>	<b>D.O.B:</b> 8/12/1963 <b>Qualifications:</b> - Masters in MBA (Entrepreneurship option) - Bed (Business Studies/Accounting) <b>Work Experience:</b> Over 30 years' experience as an educator in TVET and secondary schools. Served as a TVET principal for 5 years.

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**4. Key Management Team**

No.	Member/ Director	Details
	NAME	AREA OF RESPONSIBILITY
1.	 Jaafar Idd Faraj	<b>Principal/BOG Secretary</b> BSc in Technical Education Engineering
2.	 Ronald Mutai	<b>Deputy Principal-Administration</b> BSc Technical Education- Electrical and Electronics Engineering
3.	 Stanley Ronoh	<b>Deputy Principal-Academics</b> BSc. Information Science

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4.	 William Sitienei	<b>Ag. Dean of Students</b> BSc in Electrical Engineering
5.	 Kipngetich Chepkwony	<b>Ag. Registrar</b> BSc. In Information Technology
6.	 Mercy Chepkirui	<b>Finance Officer</b> BSc In Economics and Statistics Certified Public Accountant (CPA-K).
7.	 Mercy Chepkorir	<b>Procurement Officer</b> BSc. In Business Management Purchasing and Supplies

**5. Chairman’s Statement**

On behalf of Bomet Central TVC Board of Governors, I am pleased to confidently highlight that the college continues to experience growth, thanks to its proper management. During the year under review, the college had 1347 active students, which is an improvement from the 1083 students in the previous financial year. Secondly, the institution continues to produce excellent professionals as evidenced by the good results posted by the trainees in the KNEC and CDACC examinations.

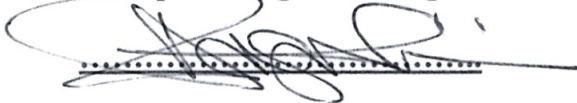
To ensure efficient operations of the college, the board continually oversees the operations of the college through, among other ways, developing, reviewing and approving relevant policies that guide activities in the college. I am also aware that the technical training industry offers a wide range of opportunities as well as risks, which need to be critically analysed in furtherance of the core mandate without jeopardizing training outcomes. In this regard, the Board of Governors, regularly reviews such opportunities and risks and advise on ways in which risks can be mitigated and opportunities maximised.

Bomet Central TVC is a growing institution and as such, still encounters challenges related to financial constraints and human resources. The college heavily relies on trainers employed by the Board of Governors. In this essence, a large portion of the financial resources is committed to payment of salaries. Notably, I would like to sincerely thank the PSC for the 8 additional PSC trainers that the college received during the year. Moreover, delays in the disbursement of capitation and scholarship funds negatively affect service delivery and sometimes renders the institution incapable of implementing some anticipated programmes or projects. Therefore, it is my prayer that the disbursement could be made promptly.

I am profoundly grateful to the Members of the Board of Governors for their unwavering support, dedication, and forward-looking vision in steering the institution towards the realization of its objectives, in line with its core mandate of producing market-driven technical manpower. The Board’s diverse qualifications and wealth of experience have been instrumental in strengthening its oversight role and in providing invaluable guidance to management on key matters affecting the institution.

With such support, I am confident that Bomet Central TVC will remain steadfast, consistent, and committed to excellence in service delivery, while upholding the highest standards of accountability in the utilization and deployment of resources for the benefit of all stakeholders—including trainees, trainers, staff, and the community at large. Looking ahead, the college is equally dedicated to fostering collaborations and partnerships with like-minded institutions, agencies, and both bilateral and multilateral organizations engaged in technical and vocational training. Through these alliances, we shall continue to provide our trainees with quality, competency-based training that equips them to thrive in the dynamic labor market.

**Bishop Dr. Augustine Rugutt**



**BOARD CHAIRPERSON**

**Date: 22/08/2025**

## **6. Report of the Chief/Senior Principal**

It gives me great pleasure to present the Principal's Report for the year, highlighting the progress, achievements, and milestones realized by Bomet Central Technical and Vocational College. This report not only reflects the collective efforts of the entire college community but also underscores our unwavering commitment to academic excellence, innovation, and the holistic development of our trainees. Guided by our core mandate, we continue to focus on equipping our students with market-driven skills and competencies that position them as key contributors to the socio-economic transformation of our country.

Bomet Central TVC is committed to providing adequate and relevant training that empowers its students to become self-reliant and to contribute meaningfully to national economic growth by offering practical solutions to emerging challenges. In fulfilling its core mandate, the institution remains dedicated to the continuous improvement and regular review of its academic programs, with the aim of ensuring competitiveness and maintaining the highest standards in the quality of training delivered. During the 2024/2025 FY, the college had in offer, 54 courses accredited and approved by TVETA. The institution also intends to add more courses in the 2025/2026 FY, subject to the availability of resources such as space for expansion and finances to acquire training materials and equipment.

Candidates sat for examinations in July 2024 and November 2024 KNEC series. Besides that, the CBET group sat for November/December 2024 and March/April 2025 CDACC assessment series. In all these examinations, candidates performed exceptionally well. Co-curricular activities play a vital role in complementing academic learning and fostering the holistic development of our trainees. In this regard, learners from the institution actively participated in various sporting activities, including athletics and football championships, thereby enhancing their talents, teamwork, and overall growth beyond the classroom.

The institution greatly values linkages and partnerships with external stakeholders, recognizing their role in strengthening our capacity to deliver on our mandate. In this regard, Bomet Central TVC has established partnerships with NG-CDF Bomet Central Constituency, KUCCPS, and HELB, among others, and continues to actively pursue additional collaborations that will contribute to the institution's growth and excellence. I remain confident that Bomet Central TVC has a bright and promising future, given its immense potential for greater expansion, innovation, and sustainable development.

### **Highlights of FY 2023/2024 Performance**

During the year 2024/2025, receipts from government were **Kshs. 18,968,288** while in the previous financial year (2023/2024) the receipts were **Kshs. 12,142,394**. Income from rendering of services increased from **Kshs. 16,091,140** in the 2023/2024 FY to **Kshs. 55,144,812** in the 2024/2025 FY. The increase was due to the increase in student enrolment. The college also managed to generate **Kshs. 515,441** from its production units of computer packages classes, hairdressing and beauty therapy services and Food and beverage/catering services. Management will seek to continue improving its production unit in order to enhance revenue generation.

### **Student Enrolment**

During the 2024/2025 financial year, student enrolment increased to 1347 students, up from the 1083 students in the 2023/2024 FY. Management is committed to undertaking robust and continuous marketing to further increase enrolment in future.

### **Activities Undertaken**

During the year under review, the institution managed to accomplish the following:

- Planting of trees and beautification of the compound.
- Procurement of 400 lecture chairs to aid in learning.
- Procurement of assorted consumable training materials and equipment to enhance better quality trainings.
- Construction of 6 classrooms to provide more rooms and space for learning.
- Construction of a modern gate and security house.
- Roll-out of the Jitume programme.

I am confident that the trainees we nurture are equipped with the requisite skills that position them competitively in the ever-evolving job market. As a growing TVET institution, Bomet Central TVC continues to rely heavily on funding from the Ministry, and as such, financial challenges are an inevitable reality. The college has only 22 PSC trainers, forcing it to hire additional 36 trainers on BOG terms to cater for the growing student population. I thank the PSC for the 8 trainers received during the year.

Deployment of more PSC trainers to the institution will be of great assistance to the institution and I am hopeful that we will get more of such trainers in the coming financial year. The lack of accommodation facilities for trainees posed a significant challenge; however, this was successfully mitigated through partnerships with the local community. A more pressing concern that continues to affect the institution is the shortage of classrooms and workshops, which has strained our capacity to adequately cater for the steadily increasing student population. In spite of the challenges highlighted above, and on behalf of the institution's Board of Governors and management, I wish to extend our profound gratitude to the Government of Kenya for the financial support extended through capitation, operational grants, and student scholarships. We also sincerely appreciate the invaluable contribution of other key stakeholders, including the Higher Education Loans Board (HELB) and the Bomet Central Constituency Development Fund, for supporting our trainees through loans and bursaries. The financial, material, and moral support continually offered to our institution has been instrumental in sustaining our operations and enhancing service delivery. We look forward to their continued partnership and support in the coming financial years.

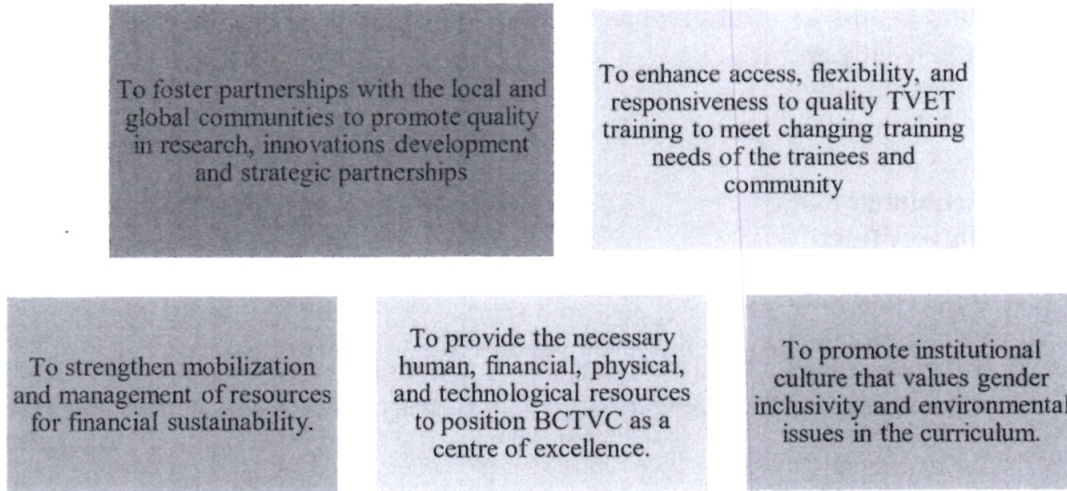
**Jaafar Idd Faraj**



**Principal/BOG Secretary**

**7. Statement of Performance against Predetermined Objectives**

Bomet Central TVC has five strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2022- FY 2027. These strategic pillars are as follows:



Bomet Central TVC develops its annual work plans based on the above five pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Bomet Central TVC achieved its performance targets set for the FY 2024/2025 period for its three strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Pillar 1: To strengthen mobilization and management of resources for financial sustainability.	Improve and diversify revenue base	Production units operating at maximum	Strengthen production units	Food and beverage and Hairdressing and beauty therapy production units initiated and operational. Computer packages classes also operationalized.
	Strengthen fee payment	Fee payment strengthened.	Encourage trainees to pay at least 95% of their fees every year.	The college has continually encouraged trainees to pay fees through application of HELB and bursaries from other sponsors such as CDF to help them settle fees. However, the 95% threshold has not been achieved yet.
Pillar 2: To foster partnerships with the	Promote and develop innovations capacity,	Innovation centre operationalized	Establish and operationalize an innovation center	BCTVC is yet to establish an innovation centre.

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local and global communities to promote quality in research, innovations development and strategic partnerships	culture and advocacy			
	Strengthen Collaboration and partnerships both locally and internationally with Industries, Research institutions and Universities	Memoranda of understanding signed between different partners.	Strengthening collaborations between different partners.	Students placed on attachments with diverse industries within Bomet, Kericho and Narok counties. The college continues to pursue other collaborations.
Pillar 3: To provide the necessary human, financial, physical, and technological resources to position BCTVC as a centre of excellence	Strengthen staff capacity	Staff capacity strengthened	Training Needs Assessment	The institution commits to undertake training needs assessments for its staff.
	Undertake staff trainings.	Staff trainings undertaken.	Plan for and allow staff to participate in capacity building trainings.	During the 2024/2025 financial year, Bomet Central TVC facilitated her staff to participate in capacity building trainings to enable them serve better. Furthermore, the college is committed to ensuring that the capacity of the staff is continually developed.
	Improve work environment	Work environment improved	Review Human Resource Policies and implement.	BCTVC has operationalized its human resource policy.

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	Expand existing ICT Infrastructure to address e-learning requirements	ICT Infrastructure improved	Operationalize the ICT policy	BCTVC developed an ICT policy and is committed to operationalizing it in order to enhance ICT infrastructure.
Pillar 4: To enhance access, flexibility, and responsiveness to quality TVET training to meet changing training needs of the trainees and community	Develop and implement market driven competency based Programmes that are responsive to community needs and workforce demands.	Market-driven competency based programmes implemented.	Implement market driven-courses	BCTVC has fully embraced Competency-Based training and continues to ensure that trainees acquire hands-on practical skills necessary for the labour market.
	Expand opportunities for electronic access to instructional delivery.	Opportunities for electronic access to instructional delivery expanded.	Create e-learning platforms and relevant delivery modes.	The college is yet to create e-learning platforms.
Pillar 5: Promote institutional culture that values gender inclusivity and environmental issues in the curriculum.	Strengthen gender responsive training and learning environment	Gender responsive training and learning environment strengthened.	Review gender policy to include gender responsiveness in training programmes.	The college has not developed a gender policy.
	Promote a culture of environmental consciousness	Culture of environmental consciousness promoted.	Develop e-policy on waste management	Waste management policy is yet to be developed.

## **8. Corporate Governance Statement**

The corporate governance policies and structure provides the basis upon which the institution operates, works and collaborates with stakeholders. Our core mandate is guided by our vision and mission statements. Our core values form a source of inspiration and our strength. Being one of the public TVET institutions, the college is guided by government policies and specifically, the TVET Act of 2013. The institution has appointed a Board of Governors, which was inaugurated on 3<sup>rd</sup> July 2024. This board comprises nine members, eight being members appointed, and the principal being the secretary to this board.

All the BOG members have got diverse and vast experiences necessary for the development of an institution like Bomet Central TVC.

The board has three sub-committees which have been assigned various responsibilities. These include Audit and Risk, Education, Training and Infrastructure, and Finance and Human Resource Management. Each sub-committee has a chairperson and two other members, while the principal sits in all the sub-committee meetings as the secretary. In the year under review, there were two full board meetings, three Finance and Human Resource Management committee meetings, two Audit and Risk Committee meetings and two Education, Training and Infrastructure committee meetings. As per the TVET Act of 2013, the BOG provides oversight roles to the institution and is very instrumental in ensuring that the institution is run in accordance with the set-out government policies and guidelines. The BOG also approves budgets and procurement plans and ensures the prudent use of all the revenues that the college collects and receives. Besides that, the board has been mandated by the TVET Act to recruit trainers on behalf of the Public Service Commission. Moreover, the board recruits and outlines the remuneration of non-academic staff who play important roles in the day-to-day running of the college.

Specifically, the roles of the BOG as spelt out in under section 28 (1) shall include -

- i. Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- ii. Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions; (1) receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- iii. Administering and managing the property of the institutions;
- iv. Developing and implementing the institutions' strategic plan;
- v. Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;
- vi. Developing and reviewing programmes for training and to make representations thereon to the Board;
- vii. Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- viii. Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
- ix. Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry;
- x. Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- xi. Making regulations governing organization, conduct and discipline of the staff and students; Providing for the welfare of the students and staff of the institutions;

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- xii. Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- xiii. Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- xiv. Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
- xv. Discharging all other functions conferred upon it by this Act or any other written law.

The institution continually develops and reviews policies such as the human resource manual, academic, financial management and procurement management policies, which are crucial documents that will guide the institution towards the achievement of its core mandates and bolster service delivery to trainees and other stakeholders. For the period that the board has been in existence, it has endeavoured to discharge its functions independently, with zeal and utmost passion. Their diligence and prudence has enabled them to become keen in the interpretation of government policies and the TVET Act 2013. Going forward, the board seeks to align its discharge of duties by enhancing its operations in order to render better services to the institution and its stakeholders. As we get into a new financial year, we hope to have more robust and productive BOG meetings that will develop more policies and guidelines that will steer the institution to higher levels.

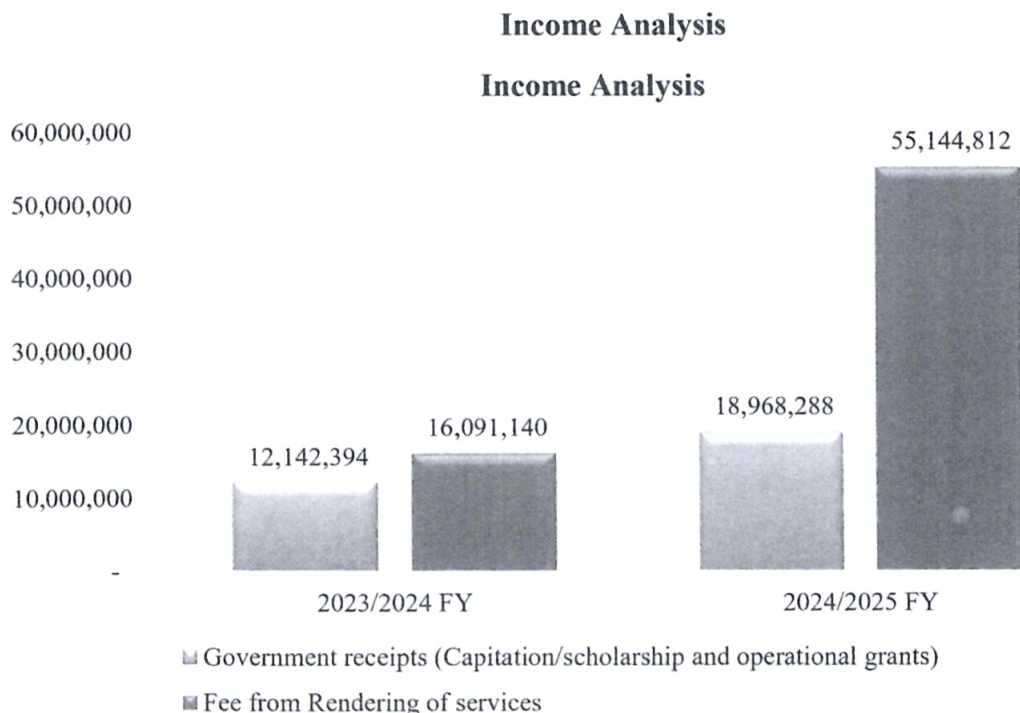
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**9. Management Discussion and Analysis**

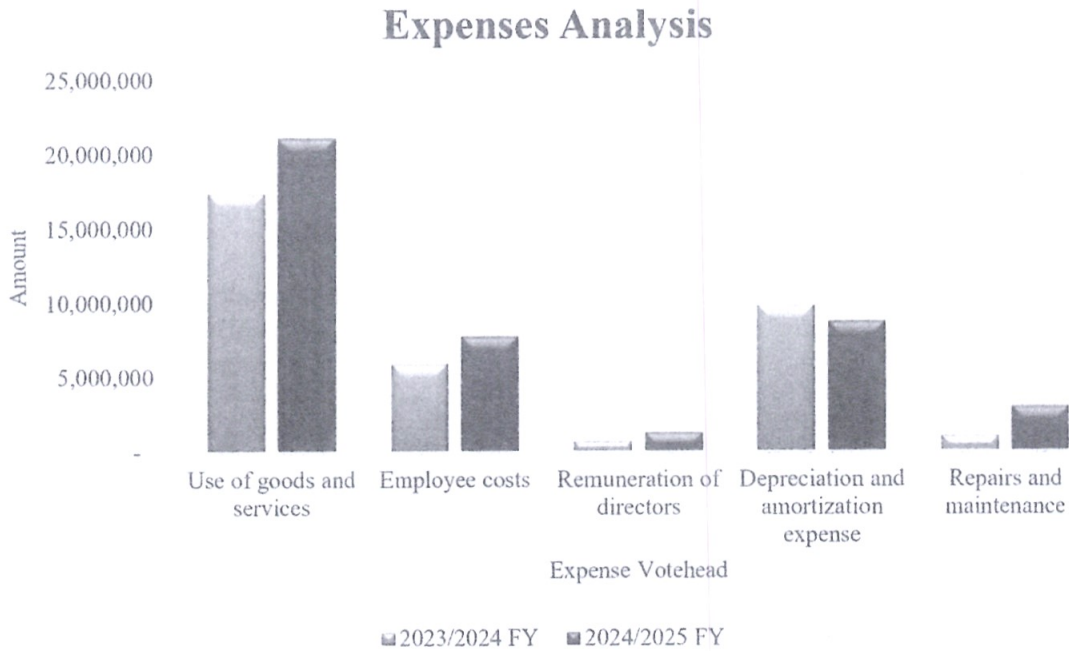
During the year ended 30<sup>th</sup> June 2025, Bomet Central TVC had 1347 active students. In the same years, receipts from government (in form of capitation and scholarship) were **Kshs. 18,968,288** while in the previous financial year (2023/2024) the receipts were **Kshs. 12,142,394**. Income from rendering of services increased from **Kshs. 16,091,140** in the 2023/2024 FY to **Kshs. 55,144,812** in the 2024/2025 FY. It is worth noting that Bomet Central TVC is currently experiencing tremendous growth. Consequently, the management continues to vigorously pursue additional funding and other forms of support from government agencies and development partners to sustain and expand this progress. To this end, the institution is committed to lobbying and mobilizing resources for technical training, innovation, research, and development from the following sources:

- **Government Funding:** The institution remains a beneficiary of government support and will continue to prepare and present well-structured proposals as a basis for requesting additional funding.
- **Constituency Development Fund (CDF):** The College will develop and submit proposals on institutional development projects to the Bomet Central CDF Committee for consideration, support, and guidance.
- **County Government of Bomet:** Being domiciled within Bomet County, the institution is well positioned to benefit from county government bursaries awarded to trainees. Furthermore, the institution will continue to lobby for funding of projects by the county government.
- **Development Partners:** the College remains open to and will actively pursue partnerships with development partners to support institutional growth and capacity building.

Below are graphical representations of income and expense analysis between financial years 2023/2024 and 2024/2025.



**Expense Analysis**



**Compliance with Statutory Requirements**

The college did not have any compliance issues relating to its statutory requirements.

**Major Risks**

The institution does not foresee any major financial risks in its financial operations. The institution’s credit risk is mitigated and protected by holding deposits in state approved and reputable banking institutions namely; Kenya Commercial Bank. Furthermore, the institution’s capital risk was minimal since at the end of the year under review, the institution had no external borrowing.

**Material arrears in Statutory/Financial Obligations**

The college complied with all laws and key regulation that relate to its statutory obligations under the NSSF, NHIF, INCOME TAX and LABOUR Laws of Kenya. The college has also complied with PFM laws that relate to Public Procurement and Asset Disposal, Annual Estimates and Financial Reporting.

**Governance**

Bomet Central TVC has always sought to comply with all the financial and governance policies and laws as stipulated by the constitution of Kenya. The principles of public finance have also been followed through in all the financial decisions undertaken by the college. The BOG and management have also complied with all the provisions of the Public Procurement and Asset Disposal Act, 2015 that preclude any instances of conflict of interest.

## **10. Environmental And Sustainability Reporting Statement**

### **Sustainability strategy and profile**

Bomet Central TVC seeks to positively impact lives. To this end, the institution has embraced income generating activities such as hairdressing and beauty therapy services and part-time classes in order to generate extra revenue to leverage on the dwindling funding from the central government. This will enhance the sustainability of the college. The institution also continues to pursue partnerships with the local community who provide accommodation to students since the college does not offer accommodation.

### **Environmental performance**

The institution is yet to develop an environmental policy that will guide management of biodiversity, waste management and outline strategies of environmental conservation.

### **Employee welfare**

At Bomet Central TVC, we value our employees and their contribution that they make towards realising the goals and objectives of the institution. The policies that guide hiring process in the institution include the following:

Vacant positions are always advertised and filled competitively

Gender Mainstreaming- the college observes equal employment opportunities during staff recruitment across all genders.

Disability Mainstreaming – the institution offers equal employment opportunities for candidates living with disability. Persons living with disability are also encouraged to apply for open positions in the college.

The college has in place a Human resource manual that indicates, among other things, the policies indicated above to ensure fair and equitable hiring process.

### **Market place practices**

Bomet Central TVC has maintained good business practice by complying with the government policy and Section 227 of The Constitution of Kenya. With this respect, all procurement activities have regularly been undertaken where supply chain ensured the existence of sufficient funds to meet obligations of resulting contracts as per the budget and procurement plan. Notably, knowledge of availability of funds often acts as a guide on what to procure and when.

The college maintained and continuously updated a list of registered suppliers, contractors and consultants in various categories of goods, works or services according to its procurement needs.

Bomet Central TVC has always ensured responsible treatment of suppliers in diverse ways as outlined below:

- i) **Responsible competition practice-** the college always uses the prescribed methods of procurement for goods and services as stipulated in the procurement plan. Request for quotations are often sent out to listed suppliers in a given category and the quotations subjected to evaluation by committees to ensure fairness in awards to suppliers.
- ii) **Responsible Supply chain and supplier relations-** the institution maintains effective communication channels with suppliers. For instance, telephone lines and emails are kept open to ensure that information is easily passed down between the college and its suppliers, contractors, and consultants. The college procurement function has always ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This has aided in maintain good working relations with the suppliers and contractors.

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- iii) **Responsible marketing and advertisement-** the college often advertises its tenders on various platforms and allows adequate time for application by interested suppliers without any interference. When doing procurement planning the college complied with preference and reservation requirements.
- iv) **Product stewardship-** our trainees are our main customers and we always seek to ensure that we offer the best services to them. Notably, the college provides customer support when and where required. This entails listening keenly to them and responding appropriately. All suggestions by our trainees are taken into consideration and action taken accordingly.

## **11. Report of the Council/Board of Governors**

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of Bomet Central TVC's affairs.

### **Principal activities**

The principal activities of the entity are to:

- Offer TVET training
- Prepare and equip trainees for evaluation and certification by the relevant examining bodies
- Promote science, technology and innovation in all the training programmes offered
- Develop and nurture trainees' talents in different capacities in order to create a competent human resource to cater for dynamic market trends

### **Results**

The results of the entity for the year ended June 30 2025 are set out on page 1 to 29.

### **Council/Board of Governors**

The members of the Board /Council who served during the year are shown on page vii to ix.

### **Auditors**

The Auditor General is responsible for the statutory audit of Bomet Central TVC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of Bomet Central TVC for the year/period 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 her behalf.

By Order of the Board



.....  
**Jaafar Idd Faraj**  
**Secretary of the Board/Council**  
**Nairobi**  
**Date: 22/8/2025**

**12. Statement of Board of Governors/ Council's 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 council members to prepare financial statements in respect of Bomet Central TVC, which give a true and fair view of the state of affairs of Bomet Central TVC at the end of the financial year/period and the operating results of the Bomet Central TVC for that year/period. The Board members are also required to ensure that Bomet Central TVC keeps proper accounting records which disclose with reasonable accuracy the financial position of Bomet Central TVC. The Board members are also responsible for safeguarding the assets of Bomet Central TVC.

The Council members are responsible for the preparation and presentation of Bomet Central TVC's financial statements, which give a true and fair view of the state of affairs of Bomet Central TVC for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of Bomet Central 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 Bomet Central TVC's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The Board members are of the opinion that Bomet Central TVC's financial statements give a true and fair view of the state of Bomet Central TVC's transactions during the financial year ended June 30, 2025, and of Bomet Central TVC's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for Bomet Central TVC, which have been relied upon in the preparation of Bomet Central TVC's financial statements as well as the adequacy of the systems of internal financial control.

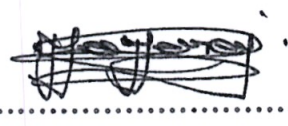
In preparing the financial statements, the Principal has assessed Bomet Central TVC's ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that Bomet Central TVC will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

Bomet Central TVC's financial statements were approved by the Board on 22/08/2025 and signed on its behalf by:



Name: Bshp. Dr. Augustine Rugutt  
Chairperson of the Board/Council



Name: Jaafar Idd Faraj  
Accounting Officer/Principal

# REPUBLIC OF KENYA

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**HEADQUARTERS**  
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Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON BOMET CENTRAL TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025**

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### **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 Bomet Central Technical and Vocational College set out on pages 1 to 33 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 Bomet Central 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 Standard (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. Inaccuracy of Local Travel and Transport**

The statement of financial performance reflects use of goods and services amounting to Kshs.21,084,445. The amount includes local travel and transport totalling Kshs.4,652,092 as disclosed in Note 9 to the financial statements. However, the transport expenditure includes salaries for the Month of March,2025 amounting to Kshs.653,524 which was irregularly charged to local travel and transport.

In the circumstances, the accuracy and completeness of local travel and transport amounting to Kshs.4,652,092 could not be confirmed.

#### **2. Inaccuracy of Employee Costs**

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects employee costs amounting to Kshs. 8,666,860. However, the amount differs with the payroll employee costs balance to Kshs.8,496,000 resulting to unexplained variance of Kshs.164,860. The employee cost also excludes March 2025 salaries amounting to Kshs.65,524 which was captured under local travel and transport.

In the circumstances, the accuracy and completeness of employee costs amounting to Kshs.8,666,860 could not be confirmed.

#### **3. Unconfirmed and Long Outstanding Receivables from Exchange Transactions**

The statement of financial position and as disclosed in Note 15 to the financial statements reflects receivables from exchange transactions totalling Kshs.50,735,315 in respect of student debtors. The amount includes receivables totalling Kshs.5,063,929 which had been outstanding for more than one (1) year. However, no provision has been made for bad and doubtful debts. Management has also not made any effort to recover these debts. In addition, the amounts reported as receivables also differs with the students' debtor's ledger balance of Kshs. 54,642,972 resulting to unexplained and unreconciled variance of Kshs.4,247,151.

In the circumstances, the accuracy of student debtors totaling Kshs.50,735,315 could not be confirmed.

#### **4. Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment totalling Kshs.101,455,296. The amount includes intangible assets totalling Kshs.1,725,000 as disclosed in Note 17 to the financial statements. However, the intangible assets have been wrongly classified under property, plant and equipment.

Further, the amount is net of depreciation and amortization amounting to Kshs.8,854,406. However, the depreciation policy and rates of depreciation have not been disclosed in the financial statements.

In addition, the amount includes land measuring 3 acres donated by Management of Ndaraweta primary school in 2016 for the construction of the College valued at Kshs.4,500,000. However, title deed for the land was not provided for audit and therefore ownership could not be confirmed.

In the circumstances, the accuracy and completeness of property, plant and equipment totalling Kshs.101,455,296 could not be confirmed.

#### **5. Inaccuracy of Trade and Other Payables from Exchange Transactions**

The statement of financial position reflects trade and other payables from exchange transactions totalling Kshs.13,569,188. However, the amount differs with payables totalling Kshs.12,646,782 reflected in Note 18 to the financial statements resulting in unexplained and unreconciled variance of Kshs.922,406.

In the circumstances, the accuracy of trade and other payables from exchange transactions totalling Kshs.13,569,188 could not be confirmed.

#### **6. Long Term Refundable Deposits from Customers**

The statements of financial position and as disclosed in Note 19 to the financial statements reflects refundable deposits from customers totalling Kshs.452,670. However, the College does not maintain a separate bank account for deposits.

Further, the amount includes former students refundable deposits of Kshs.104,000 which has been outstanding for more than three (3) years dating back to 2021. No explanation was provided for failure to refund the money to the students.

In the circumstances, the accuracy and completeness of refundable deposits from customers totalling of Kshs.452,670 could not be confirmed.

#### **7. Inaccuracy of Statement of Comparison of Budget and Actual Amounts**

The statement of comparison of budget and actual amounts reflects total income performance difference of Kshs.2,057,114. However, the amount differs with the recomputed performance difference of Kshs.2,292,555 resulting in unexplained variance of Kshs.235,441.

Further, the statement reflects actual capital expenditure of Kshs.8,845,767. However, the amount differs with additions of assets amounting to Kshs.13,970,767 reflected in Note 17 to the financial statements resulting to unexplained variance of Kshs.5,125,000.

In the circumstances, the accuracy of the statement of comparison of budget and actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bomet Central 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 comparative budget and actual amounts reflects final income budget and actual on a comparable basis of Kshs.72,335,986 and Kshs.74,628,541, respectively, resulting to an over-funding of Kshs.2,292,555 or three percent (3%) of the budget. Similarly, the statement reflects actual expenditure of Kshs.42,924,499 against actual receipts of Kshs.74,628,541 resulting to under-absorption of Kshs.31,704,042.

The under-funding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the Public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Audit Matters**

In the audit of the previous year, seven (7) issues were raised under the Report on the Financial statements as shown in the table below:

<b>Number</b>	<b>Financial Year</b>	<b>Issue</b>
1	2023/2024	Inaccuracy of receivables from Exchange Transactions
2	2023/2024	Unsupported Property, Plant and Equipment
3	2023/2024	Unsupported Refundable Deposits
4	2023/2024	Budgetary Control and Performance
5	2023/2024	Non- Compliance with Law in Ethnic Composition
6	2023/2024	Lack of Internal Audit
7	2023/2024	Lack of Information Technology (ICT) Policy

However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

### **Other Information**

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

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **Irregular Engagement of Trainers**

Thirty-five (35) trainers were engaged during the year but sixteen of them did not possess licenses and registration certificates from Technical and Vocational Education and Training Authority (TVETA). This was contrary to Section 23 (1) of the Technical and Vocational Education and Training Act, 2013 which provides that any person who intends to become a trainer in an institution shall apply for licensing and registration by the Technical and Vocational Education and Training Authority (TVETA) in accordance with the provisions of this Act.

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 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. Lack of Risk Management Policy**

Review of the documents and records provided for audit review revealed that the institution had not established a Risk Management Policy contrary to Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the absence of a formal Risk Management Policy, the Institute is exposed to potential financial losses, fraud, and operational disruptions due to the lack of structured mechanisms to identify, assess and mitigate risk.

In the circumstances, the effectiveness of internal controls and risk management of the hospital could not be confirmed.

#### **2. Lack of Internal Audit Function**

The institution did not establish an internal audit function to provide oversight of the operations of the Management, contrary to section 73 (1) (a) of the Public Finance Management Act, 2012 which states that a national government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, the oversight on effectiveness of internal controls, risk management and overall governance performance might not be effective.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance

were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and Board of Directors**

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

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

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

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

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


### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

16 December, 2025

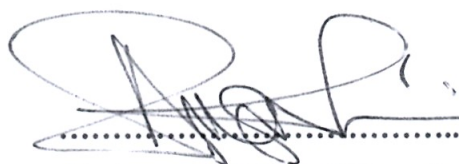
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**14. Statement of Financial Performance For The Year Ended 30 June 2025**

	Notes	2024/2025	2023/2024
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from the National Government – grants/ gifts in kind	6	18,968,288	12,142,394
<b>Total Revenue from non-exchange transactions</b>		<b>18,968,288</b>	<b>12,142,394</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	7	55,144,812	16,091,140
Other Incomes	8	515,441	1,574,750
<b>Revenue from exchange transactions</b>		<b>55,660,253</b>	<b>17,665,890</b>
<b>Total revenue</b>		<b>74,628,541</b>	<b>29,808,284</b>
<b>Expenses</b>			
Use of goods and services	9	21,084,445	17,385,690
Employee costs	10	8,666,860	5,923,399
Remuneration of directors	11	1,335,052	735,240
Depreciation and amortization expense	12	8,854,406	9,838,228
Repairs and maintenance	13	2,992,375	1,044,759
<b>Total expenses</b>		<b>42,933,138</b>	<b>34,927,316</b>
<b>Net Surplus for the year</b>		<b>31,695,402</b>	<b>5,119,031</b>

*(The notes set out on pages 7 to 29 form an integral part of the Annual Financial Statements).*

The Financial Statements set out on pages 1 to 7 were signed by:



**Chairman of Council/Board**

**Date: 22/08/2025**



**Principal**

**Date: 22/08/2025**



**Finance Officer**

**ICPAK No: 33911**

**Date: 22/08/2025**

**BOMET CENTRAL TECHNICAL AND VOCATIONAL COLLEGE**  
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**15. Statement of Financial Position As At 30th June 2025**

	Notes	2024/2025	2023/2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	14	4,418,256	2,360,633
Receivables from exchange transactions	15	50,735,315	17,774,341
Inventory	16	1,788,418	143,192
<b>Total Current Assets</b>		<b>56,941,989</b>	<b>20,278,166</b>
<b>Non-current assets</b>			
Property, plant and equipment	17	101,455,296	102,075,199
<b>Total Non-current Assets</b>		<b>101,455,296</b>	<b>102,075,199</b>
<b>Total assets</b>		<b>158,397,284</b>	<b>122,353,365</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	18	13,569,188	8,653,406
Refundable deposits from customers	19	452,670	408,670
<b>Total Current Liabilities</b>		<b>14,021,858</b>	<b>9,062,076</b>
<b>Total liabilities</b>		<b>14,021,858</b>	<b>9,062,076</b>
<b>Capital and Reserves</b>			
Revaluation Reserves		- 5,736,264	
Accumulated surplus		66,052,787	25,502,978
Capital Fund		84,058,904	87,788,310
<b>Total Capital and Reserves</b>		<b>144,375,427</b>	<b>113,291,289</b>
<b>Total Liabilities and Capital &amp; Reserves</b>		<b>158,397,284</b>	<b>122,353,365</b>

The Financial Statements set out on pages 1 to 7 were signed by:



Chairman of Council/Board

Date: 22/08/2025



Principal

Date: 22/08/2025



Finance Officer

ICPAK No: 33911

Date: 22/08/2025

**BOMET CENTRAL TECHNICAL AND VOCATIONAL COLLEGE**  
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**16. Statement of Changes in Net Asset For The Year Ended 30 June 2025**

	Revaluation Reserve	Accumulated surplus	Capital grants	Total
<b>Balance b/f as 1 July 2022</b>		5,925,094	105,123,290	111,048,384
Net surplus for the year		7,361,935	-	7,361,935
Capital grants received during the period		-	-	-
Transfer of depreciation from accumulated surpluses to capital grants		7,496,752	- 7,496,752	-
<b>Balance c/d as at June 30, 2023</b>	-	20,783,781	97,626,538	118,410,320
<b>Balance b/f as 1 July 2023</b>	-	20,783,781	97,626,538	118,410,320
Net surplus for the year		- 5,119,031	-	- 5,119,031
Capital grants received during the period		-	-	-
Transfer of depreciation from accumulated surpluses to capital grants		9,838,228.08	(9,838,228.08)	-
<b>Balance c/d as at June 30, 2024</b>	-	25,502,978	87,788,310	113,291,289
<b>Balance b/f as 1 July 2024</b>	-	25,502,978	87,788,310	113,291,289
Revaluation gain/loss	(5,736,264)			- 5,736,264
Net surplus for the year		31,695,402	-	31,695,402
Capital grants received during the period		-	5,125,000	5,125,000
Transfer of depreciation from accumulated surpluses to capital grants		8,854,406.45	(8,854,406.45)	-
<b>Balance c/d as at June 30, 2025</b>	(5,736,264)	66,052,787	84,058,904	144,375,427

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

		2024/2025	2023/2024
	Note	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Net cash flows from operating activities</b>	20	<b>10,903,390</b>	<b>11,032,767</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		- 8,845,767	- 1,747,545
<b>Net cash flows used in investing activities</b>		<b>- 8,845,767</b>	<b>- 1,747,545</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,057,623</b>	<b>9,285,222</b>
Cash and cash equivalents at 1 July 2024		2,360,633	1,559,303
<b>Cash and cash equivalents at 30 June 2024</b>	14	<b>4,418,256</b>	<b>10,844,525</b>

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025	2024-2025
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other Govt entities Govt grants	30,924,276	-	30,924,276	18,968,288	11,955,988	38.7
Public contributions and donations	-	-	-	-	-	0.0
Rendering of services- Fees from students	41,131,710	-	41,131,710	55,144,812	(14,013,102)	-34.1
Other Income	280,000	-	280,000	515,441	(235,441)	-84.1
<b>Total income</b>	<b>72,335,986</b>	<b>-</b>	<b>72,335,986</b>	<b>74,628,541</b>	<b>(2,057,114)</b>	<b>-2.8</b>
<b>Expenses</b>						
Compensation of employees	11,961,525	-	11,961,525	8,666,860	3,294,665	27.5
Use of Goods and services	30,909,896	-	30,909,896	21,084,445	9,825,451	31.8
Repairs and maintenance	4,149,250	-	4,149,250	2,992,375	1,156,875	27.9
Remuneration of directors	1,810,500	-	1,810,500	1,335,052	475,448	26.3
Capital expenditure	23,504,815	-	23,504,815	8,845,767	14,659,048	62.4
<b>Total expenditure</b>	<b>72,335,986</b>	<b>-</b>	<b>72,335,986</b>	<b>42,924,499</b>	<b>29,411,487</b>	<b>40.7</b>
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,704,042</b>		
Non-cash expense - Depreciation	-	-	-	8,854,406	-	
<b>Surplus for the period after depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,849,635</b>	<b>-</b>	

**Budget notes**

1. Transfers from other Govt entities Govt grants- the difference emanates from non-disbursement of trainee scholarships that were budgeted for.
2. Rendering of services- Fees from students- there was an increase in student debtors
3. Compensation of employees- the approved salaries as per the budget were not implemented due to insufficient funds.
4. Use of Goods and services- there were insufficient funds to implement all the budgeted expenditures relating to the use of goods and services.
5. Repairs and maintenance-there were less repairs than had been anticipated during the year.

**Budget Reconciliation**

	<b>Description of Particulars</b>	<b>Amount in Kshs</b>
	Actual Surplus Amounts as per the statement of Budget	22,849,635
1	Depreciation expense	8,854,406
2	Increase in receivables	(32,960,974)
3	Increase in payables	4,959,781
4	Increase in inventory	(1,645,226)
6	Closing Cash and Cash Equivalent as per the statement of Cash flows	2,360,633
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<b>4,418,256</b>

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**19. Notes to the Financial Statements**

**1. General Information**

Bomet Central TVC is established by and derives its authority and accountability from TVET Act, 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer trainings on technical skills and knowledge.

**2. Statement of Compliance and Basis of Preparation**

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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 cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>There is no impact on Bomet Central TVC</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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>There is no impact on Bomet Central TVC</i>
IPSAS 45: Property Plant and Equipment	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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>There is no impact on Bomet Central TVC</i>
IPSAS 46: Measurement	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The objective of this standard was to improve measurement guidance across IPSAS by:

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	<p>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>There is no impact on Bomet Central TVC</i></p>
IPSAS 47: Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>There is no impact on Bomet Central TVC</i></p>
IPSAS 48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>There is no impact on Bomet Central TVC</i></p>
IPSAS 49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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>There is no impact on Bomet Central TVC</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements</p>

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	understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <i>There is no impact on Bomet Central TVC</i>
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*iii. Early adoption of standards*

The Entity did not early – adopt any new or amended standards in the financial year.

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**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

The entity 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 entity.

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**Rental income**

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

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**b) Budget information**

The original budget for FY 2024/2025 was approved by Board on 19<sup>th</sup> June 2024. Bomet Central TVC's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

**c) Taxes**

*Current income tax*

The entity is exempt from paying taxes.

*Sales tax/ Value Added Tax*

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

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

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

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**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

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

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**g) Intangible assets**

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

**h) Biological Assets**

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

**i) Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

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

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

**j) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of

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a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### ***Financial assets***

##### ***Classification***

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

##### **Subsequent measurement**

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

##### **Amortized cost**

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

##### **Fair value through net assets/ equity**

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

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**9. Use of Goods and Services**

<b>Use of Goods and Services</b>	<b>2024/2025</b>	<b>2023/2024</b>
Tuition	2,253,768	2,135,907
Water and Electricity	519,249	382,094
Activity	1,364,804	1,903,432
Local travel and transport	4,652,092	3,245,950
Bank charges	11,556	11,548
Attachment	316,228	589,100
Internet	181,500	248,400
Student Union	278,710	89,000
Marketing	1,587,030	701,905
Stationery	1,340,781	686,195
Office Refreshments	-	323,641
Computer classes Expenses	66,444	69,650
Food and Beverage PU Expenses	265,900	209,369
Admin Cost Expenses	2,805,961	210,077
KUCCPS	-	58,500
Medical Expenses	24,200	9,650
Examinations	5,416,222	5,706,862
TVET FAIRS expenses	-	804,410
<b>Total good and services</b>	<b>21,084,445</b>	<b>17,385,690</b>

**10. Employee Costs**

<b>Employee Costs</b>	<b>2024/2025</b>	<b>2023/2024</b>
Salaries and wages	8,660,860	5,923,399
	-	
<b>Total Employee costs</b>	<b>8,666,860</b>	<b>5,923,399</b>

**11. Board/Council Expenses**

<b>Remuneration of Directors</b>	<b>2024/2025</b>	<b>2023/2024</b>
Sitting and transport	1,335,052	735,240
<b>Total Remuneration of directors</b>	<b>1,335,052</b>	<b>735,240</b>

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**12. Depreciation and Amortization expense**

<b>Depreciation and Amortization Expense</b>	<b>2024/2025</b>	<b>2023/2024</b>
Property, plant and equipment	8,854,406	9,838,228
<b>Total depreciation and amortization</b>	<b>8,854,406</b>	<b>9,838,228</b>

**13. Repairs and Maintenance**

<b>Repairs and Maintenance</b>	<b>2024/2025</b>	<b>2023/2024</b>
General Repairs	2,992,375	1,044,759
<b>Total Repairs and Maintenance</b>	<b>2,992,375</b>	<b>1,044,759</b>

**14. Cash and Cash Equivalents**

<b>Cash and Cash Equivalents</b>	<b>2024/2025</b>	<b>2023/2024</b>
Current account-KCB AC 1178002535	4,417,972	2,357,925
Cash on hand	284	2,708
<b>Total cash and cash equivalents</b>	<b>4,418,256</b>	<b>2,360,633</b>

**14 (a). Detailed Analysis of Cash and Cash equivalents**

<b>Financial Institution</b>	<b>Account number</b>	<b>Insert</b>	<b>Insert</b>
		<b>Current FY</b>	<b>Comparative FY</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>a) Current Account</b>			
Kenya Commercial Bank	<b>1178002535</b>	4,417,972	2,357,925
<b>Sub- Total</b>		<b>4,417,972</b>	<b>2,357,925</b>
<b>b) Others</b>			
Cash in Hand		284	2,708
<b>Sub- Total</b>		<b>284</b>	<b>2,708</b>
<b>Grand Total</b>		<b>4,418,256</b>	<b>2,360,633</b>

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**15. Receivables from Exchange transactions**

Receivables from Exchange Transactions	2024/2025	2023/2024
<b>Current receivables</b>		
Student debtors	50,395,821	17,149,341
Production unit income	339,494	625,000
<b>Total current receivables</b>	<b>50,735,315</b>	<b>17,774,341</b>

**15 (a) Ageing Analysis of Receivables from Exchange transactions**

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	45,671,385	90	12,381,212	70
Between 1- 2 years	2,947,551.27	6	5,393,129	30
Between 2-3 years	2,116,378.55	4	-	-
<b>Total</b>	<b>50,735,315</b>	<b>100</b>	<b>17,774,341</b>	<b>100</b>

**16. Inventories**

Inventory	2024/2025	2023/2024
Consumable stores	1,788,418	143,192
<b>Total inventory</b>	<b>1,788,418</b>	<b>143,192</b>

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**17. Property, Plant and Equipment**

	Land	Buildings	Furniture, fittings and other equipment	Computers	Plant and equipment	MIS(Intangible Assets)	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Rate	0%	2%	12.50%	30%	12.50%	25.00%	
At 1 st July 2023	4,250,000	54,448,185	3,942,216	1,508,670	52,047,290	-	116,196,361
Additions		5,961,538	1,688,475	1,292,700	39,000	2,300,000	11,281,713
Transfer/adjustments	-	-	-	-	-	-	-
At 30th June 2024	4,250,000	60,409,723	5,630,691	2,801,370	52,086,290	2,300,000	127,478,074
Additions		5,734,522	2,017,570	5,640,000	578,675	-	13,970,767
Transfer/adjustments	-	-	-	-	-	-	-
Revaluation	250,000	8,120,696	3,127,268	1,732,178	- 19,397,656	431,250	5,736,264
At 30 <sup>th</sup> June 2025	4,500,000	74,264,941	10,775,529	10,173,548	33,267,309	2,731,250	135,712,577
<b>Depreciation and impairment</b>							
At 1st July 2023	-	2,156,148	792,273	422,814	12,193,411	-	15,564,647
Depreciation	-	1,208,194	703,836	840,411	6,510,786	575,000	9,838,228
As at 30th June 2025	-	3,364,343	1,496,109	1,263,225	18,704,198	575,000	25,402,875
Depreciation	-	1,255,598.04	769,018.97	2,153,443.50	4,245,095.94	431,250.00	8,854,406
At 30 June 2025	-	4,619,941	2,265,128	3,416,669	22,949,293	1,006,250	34,257,281
<b>Net book values</b>							
At 30th June 2024	4,250,000	57,045,380	4,134,582	1,538,145	33,382,093	1,725,000	102,075,199
At 30 <sup>th</sup> June 2025	4,500,000	69,645,000	8,510,401	6,756,880	10,318,016	1,725,000	101,455,296

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**Notes to the Financial Statements (Continued)**

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Icon professional valuers in June 2025. These amounts were adopted in the financial statements as at 30<sup>th</sup> June 2025.

**18. Trade and Other Payables**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade payables	8,314,279		5,695,192	
Fees paid in advance	4,332,503		2,958,214	
<b>Total Trade and Other Payables</b>	<b>12,646,782</b>		<b>8,653,406</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	12,646,782	100 %	8,653,406	100
1-2 years	-	%	-	-
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
<b>Total</b>	<b>12,646,782</b>	<b>%</b>	<b>8,653,406</b>	

**19. Refundable Deposits from Customers/Students**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Caution money	452,670		408,670	
<b>Total Deposits</b>	<b>452,670</b>		<b>408,670</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	44,000	9.7%	88,000	21.5%
1-2 years	88,000	19.4%	216,670	53%
2-3 years	216,670	47.8%	104,000	25.4%
Over 3 years	104,000	22.9%	-	
<b>Total</b>	<b>452,670</b>		<b>408,670</b>	

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**20. Cash generated from operations.**

	2024/2025	2023/2024
<b>Surplus for the year</b>	32,617,808	- 5,119,031
<b>Adjusted for:</b>		
Depreciation and amortisation	8,854,406	9,838,228
<b>Working Capital adjustments</b>		
Changes in receivables	- 32,960,974	1,578,966
Changes payables	4,037,375	4,877,796
Changes in inventory	- 1,645,226	(143,192)
<b>Net cash flow from operating activities</b>	<b>10,903,390</b>	<b>11,032,767</b>

**21. Financial Risk Management**

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

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

**(i) Credit risk**

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

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

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

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

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

**(ii) Liquidity risk management**

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

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**(iii) Market risk**

The entity has put in place an internal audit function 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 entity'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 entity's exposure to market risks or the manner in which it manages and measures the risk.

**a) Interest rate risk**

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

**Management of interest rate risk**

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

**22. Related Party Balances**

**Nature of related party relationships**

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

**Government of Kenya**

The Government of Kenya is the principal shareholder of Bomet Central TVC, holding 100% of Bomet Central TVC'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 directors;

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**23. Events After The Reporting Period**

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

**24. Ultimate And Holding Entity**

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

**25. Currency**

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

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**20. Appendices**

**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.	<p>The statement of financial position reflects receivables from exchange transactions totalling Kshs.17,774,341 as further disclosed in Note 15 (a) to the financial statements.</p> <p>The amount includes receivables totalling Kshs.5,393,129 as disclosed in Note 15 (b) to the financial statements which have been outstanding for more than one year. However, no provision has been made for impairments of the receivables. Management has also not taken any measure to recover the long outstanding receivables.</p> <p>In the circumstances, the accuracy, completeness and recoverability of the receivables from exchange transactions totalling Kshs.17,774,341 could not be confirmed.</p>	<p>Management will seek to develop a debtor's policy that will guide the provision of bad and doubtful debts and subsequent writing off of bad debts that remain outstanding for long periods.</p>	Not resolved	31/3/2026
2.	<p>The statement of financial position reflects property, plant and equipment totalling Kshs.102,075,199. The amount includes additions to buildings totalling Kshs.5,961,538 as disclosed in Note 18 to the financial statements. However, inspection and acceptance committee report, the certificate of completion and certificate of occupation in respect to the buildings were not provided for audit review.</p> <p>Further, the amount includes land totalling Kshs.4,250,000. However, the valuation report and title deed for the land was not provided for audit review.</p>	<p>Management is in agreement with the above audit findings. In response to this, management will fast-track the process of asset valuation in order to have appropriate values for each of the institution's assets. The management is also in the process of acquiring the institution's land's</p>	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)
	<p>In addition, Note 18 to the financial statements does not reflect the prior year net book value balances and has not been prepared in the recommended format.</p> <p>In the circumstances, the accuracy, completeness and ownership of property, plant and equipment totalling Kshs.102,075,199 could not be confirmed.</p>	<p>title deed in order to have proof of land ownership.</p> <p>Management will fast-track the process of acquiring the title deed to have proof of land ownership.</p>		
3.	<p>The statement of financial position reflects current and non-current refundable deposits from customers totalling Kshs.320,670 and Kshs.88,000, respectively, amounting to Kshs.408,670 relating to caution money as disclosed in Notes 20 and 21 to the financial statements. However, a separate bank account was not maintained for the caution money.</p> <p>Further, Notes 20 and 21 to the financial statements have not been presented in the recommended format.</p> <p>In the circumstances, the accuracy, completeness and existence of refundable deposits from customers totalling to Kshs.408,670 could not be confirmed.</p>	<p>Management agrees that the refundable deposits from students amounting to Kes 408,670 were maintained in the college main account. However, in future, the institution will seek to ensure that a separate bank account is kept for the caution money for easy settlement as and when they fall due.</p>	Resolved	
4.	<p>The statement of comparison of budget and actual amounts reflects total income final budget and actual on comparable basis amounting to Kshs.53,037,940 and Kshs.29,808,284, respectively, resulting to under-funding of Kshs.23,229,656 or forty four percent (44%) of the budget. Similarly, the statement reflects actual total expenditure amounting to Kshs.25,089,088 resulting to an under expenditure of Kshs.27,948,852 or fifty-three (38%) of the budget.</p> <p>The under-funding and under-performance affected the planned activities and may have impacted negatively on service delivery to the College.</p>	<p>Management agrees with the above findings and will commit to ensure that all the budgeted activities are undertaken so that all the envisaged programs are delivered to the citizenry.</p>	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)
5	<p>Review of human resource records revealed that the College recruited nineteen (19) employees out of which fifteen (15) or seventy nine percent (79%) of the employees were from the dominant ethnic community. This is contrary to section 7 (2) of the National Cohesion and Integration Act, 2008 which states that no public institution shall have more than one-third of its staff establishment from the same ethnic community.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>Management commits to ensuring that the ethnic composition of employees complies with the National Cohesion and Integration Act, 2008. In this essence, management will ensure that future job vacancies are shared widely and people from communities outside the dominant ethnic community in the area will be encouraged to make applications for the same.</p>	Not resolved	
6	<p>The Institute had not established an internal audit function for oversight of the operations of the Management. This was contrary to Section 73 (1) (a) of the Public Finance Management Act, 2012 which states that a National Government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.</p> <p>In the circumstances, the oversight on effectiveness of internal controls, risk management and overall governance could not be confirmed.</p>	<p>Management agrees with the above findings. Management is keen to establish an internal audit department and ensure that it is effective and that the services of an internal auditor are engaged for robust control. The internal audit reports shall subsequently be presented to audit board committee for deliberation and to ensure institution of robust controls. This will help management to comply with the PFM Act and Accounting</p>	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)
		Standards Board Guidelines.		
7	<p>The College has installed a structured cable network that provides network connectivity to various offices and student computer laboratory within the institution. However, the College did not have an approved IT Policy for governance and management of its ICT resources.</p> <p>Further, the College has no established ICT steering committee in place to assist in the development of ICT policy framework to enable the TVC to realize long-term ICT strategic goals.</p> <p>Lack of an approved IT policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the TVC's ICT assets.</p> <p>Further, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.</p>	<p>Management agrees with the above observations. In response to the observations, management will fast-track the process of developing an ICT policy to provide a clear direction regarding maintenance of information security across the organization and safeguarding the institution's ICT assets.</p>	Resolved	



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**Jaafar Idd Faraj**  
**Principal/BOG Secretary**  
**22/08/2025**

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**Appendix II- Inter-Entity Confirmation Letter**


Name of transferring entity: Ministry of Education

Name of beneficiary entity: Bomet Central TVC

<b>Confirmation of amounts received by Bomet Central TVC as at 30<sup>th</sup> June 2025</b>					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
1	27/9/2025	3,189,225	-	3,189,225	-
2	27/9/2025	631,404.10	-	631,404.10	-
3	27/9/2025	2,828,081.90	-	2,828,081.90	-
4	27/9/2025	1,047,573.70	-	1,047,573.70	-
5	27/9/2025	1,262,578.20	-	1,262,578.20	-
6	17/2/2025	10,009,425	-	10,009,425	-
<b>Total</b>		<b>18,968,288</b>		<b>18,968,288</b>	

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: Mercy Chepkirui Sign  Date: 22/08/2025