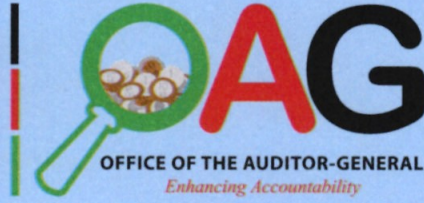



REPUBLIC OF KENYA



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 APR 2026	DAY. WEDNESDAY
TABLED BY:	Hon. DADO RASOMU ON BEHALF OF HON
CLERK-AT THE-TABLE:	J. LEMERELLE

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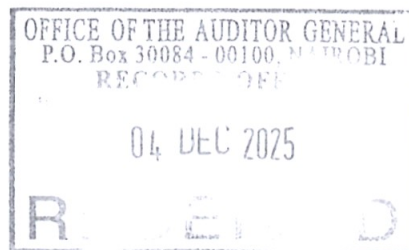
THE AUDITOR-GENERAL

ON

NDIA TECHNICAL AND VOCATIONAL
COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

Revised 30th June 2025



NDIA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVET	Technical Vocational and Education Training
ICT	Information Communication Technology
KCA	Kenya College of Accountancy University
FY	Financial Year

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

Ndia Technical & vocational College is a TVET institution located at Ndia Sub County in Kirinyaga County. The college has been operation since 1st December,2018 and has had tremendous growth of trainees' population over the years.

Ndia TVC aspires to position itself as an institution of first choice in the training of highly skilled, world class technical trainees. It also aspires to equip its trainees with sufficient and relevant entrepreneurial skills so as to prepare them to play their role towards wealth and employment creation in the country.

The government through the Ministry of Education has strengthened the focus of Science, Engineering and Technology (SET), research and Innovations, industrial linkages, collaborations and partnerships' and TVET policies as underlying the country's national development efforts.

(b) Principal Activities

The Mandate of Ndia Technical & vocational college is to provide Technical, Vocational and Entrepreneurship Training (TVET) in a conducive environment using appropriate technology to empower her trainees for individual and national development. To provide quality skills using sustainable and innovative technology.

We offer both Technical and Business courses. Our college has modern equipment in automotive engineering which is our major course.

Courses offered

The Technical courses offered are as follows:

- i) Diploma in Automotive Engineering.
- ii) Craft Certificate in Automotive Engineering.
- iii) Artisan in Automotive Engineering.
- iv) Diploma in Building Construction.
- v) Craft Certificate in Building Construction.
- vi) Artisan in Masonry.
- vii) Craft Certificate in Electrical Engineering.
- viii) Craft Certificate in Plumbing Technology.
- ix) Artisan in Plumbing Technology
- x) Diploma in electrical engineering

The College offers the following Business Courses and Beauty Courses.

- i) Diploma in Information and Communication Technology.
- ii) Craft Certificate in Information and Communication Technology.
- iii) Artisan Courses in Hairdressing and Beauty Therapy.

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Our faculty comprises of qualified personnel, majority being degree and diploma holders in various engineering courses.

Vision

To be a global centre of excellence in technical and vocational training.

Mission

To provide quality training skills and competence using sustainable and innovative technology

The core values

- Transparency and accountability
- Quality service
- Creativity and innovation
- Team work
- Efficiency and effectiveness

(c) Key Management

The college day-to-day management is under the following key organs:

- (i) Board of Governor
- (ii) Accounting officer/ Principal
- (iii) Heads of Departments
- (iv) Heads of Sections

(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
I.	Principal	Julius Ng'ang'a
II.	Deputy Principal Administration	Daniel Gichoya
III.	Deputy Principal Academics	Irene Nyawira Macharia
IV.	Finance Officer	Charles Mwangi
V.	Registrar	Moses Kinuthia
VI.	Dean of students	Mark Njoroge
VII.	HoD – Building and Civil Engineering	John Kiburi
VIII.	HoD – Electrical Engineering	Alex Mwangi Muchiri
IX.	HoD – Automotive & Mechanical Engineering	Charles Wamugunda
X.	HoD – Food & Beverage	Martin Mwaniki
XI.	HoD-ICT	George Muriithi
XII.	HOD Fashion & Design	Joyce Njeri Njeru

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XIII.	HoD Cosmetology	Mary Wambui Maina
XIV.	Industrial liaison Officer	Joseph Nyaga
XV.	HoD Sports and Games	Daniel Njuguna
XVI.	PC Coordinator	Jackson Mwaura Wakahiu
XVII.	HOD Guidance & Counselling	Emily M. Mwangi
XVIII.	Head of Procurement	Caroline Wangechi Kamau

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

- Establish Internal Audit Functions
- Formulate whistle blowing Policy in the College
- Formulate and Review of OHS Policy
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized
- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

Finance and human resource

- Resource Mobilization
- Prepare Annual Procurement Plan
- Prepare Annual Budget
- Discus Quarterly Financial Report
- Establish Internal Financial Control Systems
- Ensure adherence to Procurement Act and Regulations
- Final Financial Accounts
- Human Resource Management
- In Charge of Assets Management
- Formulation of Policies
- Infrastructural Development and Maintenances
- Adherence to Principles of Governance
- Development of Organizational Structure
- Establishment of Key Management Committees
- Strategic Planning
- Monitoring and Evaluation
- Ensure that external audit of financial statement is completed and submitted in time

Academic committee activities

- Formulation and Review of the Academic Policy
- Quality Assurance
- Development and Implementation of New Programmes

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- Determination of Resources:
 - Human Resource
 - Teaching/Learning Materials
- Curriculum Evaluation
- Establish Linkage between the College and Industry
- Ensure Relevance of Courses to Market Needs
- In Charge of Graduations and Academic Awards

(f) Entity Headquarters

P.O. Box 4-10230 Sagana
Kirinyaga County
Ndia Sub-County
3km off Sagana-Kagio road

(g) Entity Contacts

Telephone: +254799906614
E-mail: ndiatechnical@gmail.com
Website: www.ndiatvc.com

(h) Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

Kenya Commercial Bank
Murang'a Branch
Murang'a Kenya

(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



**Ndia Technical and Vocational College
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3.The Council/Board of Governors



No.	Member/ Director	Details
I.	 <p>Board Chairman Eng. Anthony Wandu P.O BOX 17085- 00100 Nairobi</p>	<p><u>Date of birth:</u> 2nd December 1974</p> <p><u>Qualifications:</u> Bachelor of Science – Civil Engineering (University of Nairobi)</p> <p><u>Work experience:</u> Over 20 years of experience in Project management, structural design and supervision with various civil and engineering companies.</p>
II.	 <p>Member Ms. Alice Njuguini Kariuki</p> <p>Chairperson Finance and Human Resource Committee</p>	<p><u>Date of birth:</u> 16th Dec 1990</p> <p><u>Qualifications:</u> Bachelor of Land Landscape Architecture (Jomo Kenyatta university) Architectural Association of Kenya(AAK)</p> <p><u>Work experience</u> NG-CDF Ndia Constituency Ministry of Transport, Roads and Public Works Design Solutions Hurliungam</p>

<p>III.</p>	 <p>Member Mr. Thomas Maganjo</p> <p>Chairperson Audit and Risk Management Committee</p>	<p><u>Date of birth:</u> 1978 <u>Qualifications:</u> Bachelor of Business Administration, Finance option & Diploma in project management CPA <u>Work experience</u> Accountant: Tropical Products MInternational Ltd Accountant: Miles Management Cons: Mwerua Farmers' Co-operative Society ltd Tax Consultant-MNC Consulting group</p>
<p>IV.</p>	 <p>Member Mr. Credius Oigara</p> <p>Member of Finance and HR Committee. Member Academic and Technical Committee.</p>	<p><u>Date of Birth:</u>20/08/1968 <u>Qualifications:</u> Bachelor of law Bachelor of Arts <u>Work Experience</u> Worked as a protection attorney, united nations high commissioner for refugees, (UNHCR). Former law lecturer at College of Insurance, Commercial and Banking law. Lecturer at Kenya school of monetary studies, (KSMS), under the management of the Central Bank of Kenya.</p>




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<p>V.</p>	 <p>Sarah Mbithe Mutua Member Chairperson Academic and Technical Committee</p>	<p><u>Date of birth:15/09/1980</u></p> <p><u>Qualification:</u> Doctor of Science in Engineering Sciences (Hydrology and Hydraulics), Vrije Univerciteit Brussel, Belgium(Expected) Master of Science in water resources Engineering, Kathorieke Universiteit Bruissel and Vrije Univerciteit Brusel Belgium Bachelor of Technology in civil structural Engineering Moi University</p> <p><u>Work Experience:</u> 9 Years' Experience</p>
<p>VI.</p>	 <p>Caroline Mong'ina Matara Member of Finance and HR Committee</p>	<p><u>Date of Birth: 22/5/1990</u></p> <p>Qualification Doctor of philosophy, Civil Engineering, UoN Master of Engineering traffic and transportation, South west Jiaotong University BSc Civil Engineering, UoN</p> <p><u>Work Experience</u> 9 years' experience in civil engineering Department</p>





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<p>VII.</p>	 <p>Hanson Njuki Mugo Member of Finance and Human Resource Committee</p>	<p><u>Date of Birth:</u> 28/6/1969</p> <p><u>Qualification</u> MBA Corporate Management BSc Computer Computing</p> <p><u>Experience:</u> 15 Years of experience in IEBC</p>
<p>VIII.</p>	 <p>Julius Ng'ang'a Burugu Principal/ BOG Secretary</p>	<p><u>Date of birth:</u> 14/07/1974</p> <p><u>Qualifications:</u> MSC Data Communication and Networking BSC Computer Studies and Mathematics, Catholic university of Eastern Africa Diploma in Technical Education Computer Studies, Kenya Technical Teachers College Diploma in Computer Science KNEC, Eldoret National Polytechnic</p> <p><u>Work Experience</u> Over 24 years of experience in Nkabune Technical TRAINING Institute</p> <p>Lecturer teaching in the department of computing and informatics. Teaching subject includes ; Structured programing data communication and networking, MIS, Introduction to ICT, Operating system, HTML among others</p>






4. Key Management Team

No.	Member	Details
I.		<p>Julius Ng'ang'a Burugu Principal/ BOG Secretary</p> <p><u>Qualifications:</u> MSC Data Communication and Networking BSC Computer Studies and Mathematics, Catholic univ Diploma in Technical Education Computer Studies, Ke Diploma in Computer Science KNEC, Eldoret National</p> <p><u>Work Experience</u> Over 24 years of experience in Nkabune Technical TF Lecturer teaching in the department of computing and Structured programing data communication and netwo Operating system, HTML among others</p>
II.		<p>Mr. Daniel Gichoya Karimi Deputy Principal Administration</p> <p><u>Qualifications</u> BTEC in Electrical & Communication with 5 years of experience in TVET Training.</p>
III.		<p>Ms. Irene Nyawira Macharia Deputy Principal Academics</p> <p><u>Qualifications</u> Bachelor of Education & Counselling with over 35 years of teaching</p>






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IV.		<p>Mr. Charles Karani Mwangi Finance Officer</p> <p><u>Qualifications:</u> CPA K with 5 years of Experience in accounting and finance, have worked with various private Companies.</p>
V.		<p>Mr. Moses Kinuthia Registrar</p> <p><u>Qualification</u> BSc.in Mechanical Engineering and over 4years experience in TVET Training.</p>
VI.		<p>Mr. Mark Njoroge Dean of students</p> <p><u>Qualifications</u> B.Sc. in Mechanical Engineering, 2ndlower. 5yrs professional experience in industries and 2yrs training experience in Ndia TVC.</p>
VII.		<p>Mr. John Kiburi HOD Building & Civil Engineering Department</p> <p><u>Qualifications</u> BSc.in Civil Engineering and over 14 years of experience in Building and Civil Engineering industry and TVET Training</p>


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VIII.		<p>Mr. Alex Mwangi Muchiri HOD Electrical & Electronics <u>Qualifications</u> BSc. Electrical and Electronics, with 6 years of experience in the industry and TVET training</p>
IX.		<p>Mr. Charles Kinyua Wamugunda HOD Mechanical & Automotive Department <u>Qualifications</u> Diploma in Automotive Engineering. Extensive experience in mechanical Engineering in the Ministry of Public Works</p>
X.		<p>Mr. Martin Mwaniki Waweru HOD Food & Beverage Department <u>Qualifications</u> Diploma in Food & Beverage with 14 years of training experience in colleges.</p>
XI.		<p>Mr. George Muriithi HOD Information and Communication Technology. <u>Qualifications</u> Degree in Information Technology with 2 years' experience</p>
XII.		<p>Ms. Joyce Njeri Njeru HOD Fashion & Design Department <u>Qualifications</u> Bachelor of Science in Clothing Textile & Interior Design in Food & Beverage with 7 years of training experience in colleges</p>

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XIII.		<p>Ms. Mary Wambui Maina HoD Cosmetology <u>Qualifications</u> Diploma in Hair Dressing and Beauty with 10 years of experience in Training.</p>
XIV.		<p>Mr. Joseph Nyaga Industrial Liaison Officer <u>Qualifications</u> Higher National diploma in electrical and electronics, with 5 yrs training experience at Meru N.P and Ndia TVC.</p>
XV.		<p>Mr. Daniel Njuguna Kibra HoD Sports and Recreation Activities <u>Qualifications</u> Diploma in electrical Engineering (Power) and technical education with 1 year experience in technical training.</p>
XVI.		<p>Mr. Jackson Mwaura Wakahiu P.C. Coordinator <u>Qualifications</u> Bachelor of Engineering in Mechanical and Production Engineering with 5 years of experience in technical training.</p>
XVII.		<p>Mrs. Emily M. Mwangi HOD Guidance & Counselling <u>Qualifications</u> B.A Literature Post graduate diploma in Education with 32 years of experience in Education</p>

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XVIII.		<p>Ms. Caroline Wangeci Kamau Procurement Officer.</p> <p>Qualifications Diploma in Business studies (Procurement and Supply Chain Management) with 3yrs of experience in procurement.</p>
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5. Chairman's Statement

It is my pleasure to present the Annual Report and Financial Statements of Ndia Technical & Vocational College for the financial year ended 30th June 2025.

The Board of Governors acknowledges with deep appreciation the unwavering support of the Government, industry partners, development collaborators, and the local community. Your contributions remain central to the College's mission of equipping learners with high quality technical and vocational skills that meet the demands of a rapidly evolving economy. Ndia College stands as a beacon of opportunity for young people, offering programs that are not only market driven but also transformative, preparing graduates to thrive as professionals, entrepreneurs, and leaders.

The year under review was a period of significant transformation. Student enrollment rose from approximately 600 in 2024 to more than 2000 in 2025, a clear indication of the growing trust and confidence in our institution. This growth, while encouraging, also brought with it fresh responsibilities to expand learning opportunities, invest in infrastructure, and sustain the quality of training offered to every learner.

To respond to this momentum, the College embarked on several strategic development initiatives. Considerable progress was made in securing ownership of the land on which the College sits, a vital step in guaranteeing stability for future expansion and long term investment. The Board also oversaw improvements to essential infrastructure, including upgrading water supply systems and procuring additional desks and chairs to ensure trainees and trainers could work in a conducive environment despite the increased numbers. Construction works commenced on a modern restaurant and kitchen for the Hospitality Department, a dedicated Electrical and Electronics Training Unit, and a new main gate with a boundary wall to enhance safety and strengthen institutional identity.

Beyond physical growth, the College continued to distinguish itself in academic and co-curricular endeavors. Our trainees demonstrated resilience, creativity, and innovation, qualities that reflect the values we strive to instill. The implementation of a modular competency based curriculum, rolled out with the May 2025 intake, has further strengthened the College's ability to deliver flexible, practical, and industry aligned training.

The journey has not been without its challenges. While Government capitation funding has been invaluable, it remains inadequate to fully support the operational and development needs of an expanding institution. Delays in the disbursement of funds from both the National Government and the Higher Education Loans Board (HELB) created additional hurdles, slowing the pace of planned projects. Furthermore, the rapid increase in student numbers placed pressure on staffing levels and available resources, highlighting the urgent need for sustainable funding and expanded human capacity.

Despite these challenges, the Board remains encouraged by the dedication and resilience of staff, trainees, and stakeholders who continue to propel Ndia College forward. Through collective

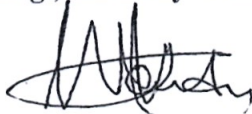
Ndia Technical and Vocational College
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effort, collaboration, and strategic planning, we are confident that the institution will sustain its growth and continue to deliver exceptional technical and vocational training.

Looking ahead, the College will broaden its scope by embracing innovation and digital technology, strengthening linkages with industry, and diversifying income generating activities. These initiatives will not only enhance the relevance of programs but also prepare learners to meet real world challenges. The Board envisions Ndia College as a hub of innovation and opportunity in Kirinyaga County and beyond, an institution that empowers young people to craft meaningful futures and contribute to Kenya's industrial growth.

On behalf of the Board of Governors, I extend heartfelt gratitude to our dedicated staff, resilient trainees, and the broader College community for their commitment throughout the year. I also thank the Government of Kenya, our industry partners, development collaborators, and the local community for their continued encouragement and support. Together, we will build on our successes, overcome challenges, and secure a brighter future for Ndia Technical & Vocational College.

Eng., Anthony Wandu



Chairman, Board of Governors

6. Report of the Chief/Senior Principal

I am honored to present the Principal's Statement for Ndia Technical & Vocational College for the financial year ending June 30, 2025. Since its establishment in 2018, Ndia TVC has remained steadfast in its mission to equip learners with competency-based technical and vocational skills that are responsive to industry needs and national development priorities. Our programs in electrical and electronics engineering, information and communication technology, building and construction, hospitality, and automotive technology continue to provide trainees with practical, market-relevant competencies that foster self-reliance and employability.

The 2024/2025 academic year was transformative for the College, with student enrollment rising from 600 in 2024 to over 2,000 in 2025. This remarkable growth reflects the confidence placed in our institution and has driven us to strengthen our academic programs, expand infrastructure, and adopt new ways of supporting our trainees. In line with this growth, the modular competency-based curriculum was fully implemented beginning with the May 2025 intake, ensuring that training remains flexible, practical, and aligned with industry requirements. At the heart of our mandate is the commitment to serve all learners, particularly those from disadvantaged backgrounds, and to nurture in them not only technical expertise but also entrepreneurial thinking and creative problem-solving.

A notable milestone during the year was the establishment of the Trainees' Council, whose leadership was democratically elected under the supervision of the Independent Electoral and Boundaries Commission (IEBC). This initiative underscores our commitment to transparency, accountability, and participatory student governance.

The College also earned distinction in co-curricular innovation, with our robotics teams excelling in both regional and national competitions. These achievements highlight the innovative spirit we foster among our trainees, preparing them to thrive in rapidly evolving technological environments.

To ensure our programs remain responsive to industry needs, we developed a structured Manual for Memoranda of Understanding (MoUs) to guide future collaborations. These partnerships are already bearing fruit, offering trainees valuable industry exposure and ensuring curriculum alignment with labor market demands. Notably, the College deepened its collaboration with Finn Church Aid, an important partner in strengthening modern training and advanced upskilling opportunities for both trainees and staff.

Facility development and resource enhancement remained priorities during the year. Key initiatives included progress toward securing ownership of the College land, substantial upgrades to the Tuition Block, improvements in water infrastructure, and procurement of additional furniture to meet rising demand. Construction is ongoing for a modern restaurant and kitchen for the Hospitality Department, an Electrical and Electronics Training Unit, and a secure main gate with a boundary wall. The Jitume Program further enabled the establishment of a state-of-the-art ICT and E-Learning Centre, expanding digital access and innovation opportunities for our trainees.

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Institutional growth was matched by targeted staffing enhancements. However, the surge in enrollment placed considerable pressure on existing staff capacity, highlighting the urgent need for further recruitment to maintain quality training and mentorship. Management committees continued to play a key role in guiding operations and advancing the 2023/2024 Strategic Plan.

On the financial front, the College maintained prudent management practices, supported by robust financial, procurement, and internal controls. These systems safeguarded institutional sustainability despite limited government capitation and delays in disbursement of funds. Critical support from NG-CDF grants, alongside contributions from development partners, enabled many trainees to continue their education successfully.

Despite the year's successes, the College faced several notable challenges. Government capitation remained insufficient to meet the operational and development needs of a rapidly growing institution. Delays in disbursement of funds from both the National Government and HELB further slowed project execution. The sharp increase in enrollment also placed pressure on staffing levels, resulting in heavier teaching loads and stretching available resources. These challenges underscore the need for sustainable funding models and strategic human resource expansion.

Looking ahead, the College will prioritize innovation and digital integration, strengthen partnerships with industry and development partners, and diversify income-generating activities. Particular focus will be placed on recruiting and retaining qualified staff, expanding infrastructure to match enrollment growth, and enhancing financial sustainability. Through collaboration, strategic planning, and collective effort, Ndia TVC is well positioned to sustain its momentum and deliver transformative training that equips learners to contribute meaningfully to Kenya's social and economic development.

In conclusion, I extend my sincere gratitude to the Government of Kenya, the State Department of Technical and Vocational Training, NG-CDF, Finn Church Aid, development partners, our local community, parents, guardians, staff, suppliers, and service providers. Your continued support has been invaluable in enabling Ndia TVC to fulfill its mission. Together, we will nurture innovation, expand opportunities, and prepare our trainees to become skilled professionals, entrepreneurs, and leaders of tomorrow.

Mr. Julius Burugu Ng'ang'a



Principal/Secretary of the board

7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Ndia TVC has eight strategic pillars and objectives within its Strategic Plan for the FY 2023 to 2027. These strategic pillars are as follows:

Pillar I: Access and Equity

Pillar II: Institutional Corporate Governance/Management

Pillar III: ICT (Equipment and Technology)

Pillar IV: Research and Innovation

Pillar V: Financial resources

Pillar VI: Publicity of the College

Pillar VII: Collaboration and Linkages

Pillar VIII: Infrastructure Development

Ndia TVC developed its annual work plans based on the above eight pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis and a final report done at the close of the financial year. The college achieved its performance targets set for the FY 2024/2025 period for its eight strategic pillars, as indicated in the diagram below:

Pillar no	Strategic issues	Strategic Objective	Key Performance Indicators	Activities	Achievements
I:	Access and equity	To diversify training program intensify sponsorship & collaborations	-No. of students enrolled -No. of programs launched -No. of sponsors and collaborations	-Introduced two new learning programs and applied for registration	-Increased enrolment of trainees -Introduction of Fashion and hospitality programs
II:	Institutional Corporate Governance /Management	To improve Institutional corporate governance/Management	-Organizational structure developed and approved, institute management policy	-Establish institutional policies, strategies and programs that are responsive to effective governance and	-Reviewed 4 policies in the year: -Gender main streaming -Disability mainstreaming policy

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			-Set out departmental offices -Additional department heads appointed	management of Ndia TVC. -Appoint quality assurance officer -Create a quality assurance office	-Human resource manual -Academic policy
III:	ICT	Promote effective application of ICT	-Upgraded the college website -Online training/learning application -Increased internet broadband and WIFI	-Specification of the college website -Development of online training/learning module -Increase the WIFI points	-Active & interactive website in place -Online training /Learning modules in place -Increased WIFI bandwidth
IV:	Research and Innovation	-Establish forums for sensitization of staff and trainees on the need of research and innovation.	-Research /Development officer and champions appointed	-Initiate college research procedures -Training of champions -Bench marking with best practice	-Research /Development officer appointed -Research champions appointed -Research team trained
V:	Financial Resources	Enhance feess collection.	-Fees collection & debts Control systems established and implemented.	-Training of accounting officer. -Initiating a processto recruit a finance officer. -Initiated possibilities of automating the department.	-Finance office team attended training -BoG recruited finance assistant -Consulting with various suppliers on automation. -High revenue realized.

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VI:	Human Resource	Enhance the staff adequacy and competence.	-Carry out skills gap analysis -Determine the staff establishment. -Determine staff development	- Liaise with the PSC/BoG for meeting gaps in teaching as per the skills gap analysis done. -Establishing a schedule to facilitate staff development	-Employed more staff. -Participated in capacity building
VII:	Collaboration and linkages	Enhance Collaborations and Linkages	-Ensure KATTI membership -Build collaboration with nearby industries and private sectors	-Participated in KATTI and CAPA activities to strengthen linkages with other TVET institutions. -Sent trainees for attachment and internship	-Leadership workshops and seminars attended. -Participated in sports at regional and national Levels. Participated in regional and National skills competition and robotics
VIII:	Infrastructure improvement	Upgrade infrastructure	-Facilities and equipment upgraded	-completion of the construction of generator shed - Rehabilitation of the police officers' houses into makeshift classes.	-Construction of gate, electrical units, kitchen and restaurant and boundary wall

8. Corporate Governance Statement

Effective corporate governance is essential for safeguarding the integrity and long-term viability of state corporations. At Ndia Technical & Vocational College (TVC), the Board of Governors exemplifies this through its commitment to openness, integrity, and accountability. The Board, comprising a chair and seven members appointed under the TVET Act (2013), meets regularly, both as a full body and through its committees, to ensure that governance practices remain aligned with evolving best standards. It leads the College by setting strategic direction, crafting policy, approving budgets, and conducting performance reviews to uphold accountability. The Board also oversees internal control systems, continuously evaluating their effectiveness to protect institutional assets and ensure the accuracy and reliability of financial information. Governance frameworks and practices are regularly refined to address both operational and strategic priorities. Furthermore, following the expiration of the previous Board's term, the Cabinet Secretary for Education recently ratified a new set of members, reinforcing the College's steadfast dedication to robust governance.

A. College Board

The College Board consists of the Chairman and seven members, who have been appointed in accordance with the TVET Act (2013). The full College Board meets at least quarterly.

The Board is responsible for setting the direction of the College through the establishment of strategic objectives, key policies and approval of budgets. It monitors the implementation of strategies and policies through a structured approach of reporting by management and consequent accountability.

The Board is actively involved and brings strong independent judgment on its deliberations and discussions. The College Board members have diverse skill set, a wide range of knowledge and experience of college setting that is applied to the formulation of strategic objectives and decision-making. The Board meets regularly and retains full and effective control over the College in all strategic, financial, operational and compliance areas. In mid-February 2025, the Cabinet Secretary for the Ministry of Education appointed the new Board members of Ndia Technical & Vocational College, following the expiry of the previous Board's term.

B. Board Committees

To assist the Board in the discharge of its responsibilities, Board committees have been established. All the Board committees meet at least two times a year. The committees are as follows: -

a) FINANCE, HUMAN RESOURCE MANAGEMENT COMMITTEE

Current Membership

i.	Ms. Alice Njuguini	Chair of the committee.
ii.	Mr. Credius N. Oigara	Committee Member
ii.	Dr. Eng. Caroline Mong'ina	Committee Member
iv.	Mr. Julius Ng'ang'a	Secretary of the Board

Responsibilities:

- To receive, consider and submit the proposed budget estimates from the various college department for approval by the Board;
- To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Board;
- To report to the Board all matters related to finance and development;
- To ensure that accurate records are kept on the establishments in the College;
- To consider and recommend to the Board the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the College;
- To report to the Board on the progress of physical infrastructure development of the College;
- To prepare College development plans for an approved period and submit to the Board; and
- To exercise such other powers as the Board may from time to time delegate to the Committee.

b) AUDIT AND RISK MANAGEMENT COMMITTEE

Current Membership

i.	Mr. Thomas Maganjo	Chairperson of the committee
ii.	Mr. Charles Nyota	Committee Member
iii.	Mr. Hanson Njuki	Committee Member

Responsibilities:

- To evaluate adequacy of management procedure with regard to issues relating to risk management, control and governance;
- To review external audit findings and recommendations and propose corrective and preventive actions where necessary
- To review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- To initiate special audits and or investigations on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the accounting officer; and
- To exercise such other powers as the Board may from time-to-time delegate to the Committee

c) ACADEMIC MANAGEMENT COMMITTEE
Current Membership

i.	Ms. Sarah Mutua	Chairperson of the Committee
ii.	Mr. Charles Nyota	Committee Member
iii.	Mr. Credius N. Oigara	Committee Member
iv	Mr. Julius Ng'ang'a	Secretary of the Committee

Responsibilities:

- Formulation and Review of the Academic Policy
- Quality Assurance
- Development and Implementation of New Programs
- Determination of Resources:
 - Human Resource
 - Teaching/Learning Materials
- Curriculum Evaluation
- Establish Linkage between the College and Industry
- Ensure Relevance of Courses to Market Needs
- In Charge of Graduations and Academic Awards

C. Board Members' Remuneration

Sitting allowance for Board members and chairman honorarium are guided by circular No. MOE/SDTVET/DTE/ADM/144 dated 6th December, 2024. The remuneration for Board members consists of sitting and subsistence allowances in connection with Board & Board committee and Chairman's during the financial year ended 30th June, 2025 are outlined under the notes to these Financial Report and Financial Statements (Board expenses)

D. Succession Plan

The appointment of Board members is the prerogative of the Cabinet Secretary, Ministry of Education. Members have no control of the appointment and duration of service.

E. Board Charter

Ndia TVC Board has a board charter. The Board is also guided by Mwongozo Code of Governance.

F. Appointment and removal of Board members

The appointment of Board members is the prerogative of the Cabinet Secretary, Ministry of Education

I. Induction and Training

The current Ndia Technical & Vocational College (TVC) Board of Governors was officially inducted during the 2024/2025 financial year. This induction included a comprehensive orientation on the College's governance framework, statutory obligations under the TVET Act

(2013), and oversight responsibilities. It was designed to familiarize board members with key functions, such as strategic planning, financial governance, internal control systems, policy development, and ethical leadership.

Building upon this foundation, the induction was complemented by targeted training sessions. These covered best practices in public sector governance, risk management, stakeholder engagement, and performance oversight. The objective was to ensure that board members were well equipped to provide informed, effective leadership across strategic, financial, operational, and compliance dimensions.

J. Board and Board Members' Performance

A formal Board performance evaluation has not yet been undertaken, given the relatively short duration the current members have been in office and the financial implications of the exercise. However, the Board remains committed to conducting this important process at an appropriate time to ensure accountability and continuous improvement in governance.

K. Conflict of interest

In every Board meeting held by the Ndia TVC Board, Members declare conflict of interest on matters in the agenda and register the same in the conflict-of-interest register book.

L. Ethics and Conduct

Ndia College Board Members uphold the highest standard of Ethics and conduct while executing their mandate.

M. Governance Audit

The Board has put in place a combination of processes and structures to inform, direct, manage and monitor the activities of the College towards the achievement of its objectives. There is an independent audit and risk committee that reports to the Board on a regular basis.

The audit and risk committee plays a key role in assisting the Board to fulfil its oversight responsibilities in areas such as financial reporting, internal control systems, risk management systems and the external audit functions.

N. Internal Controls

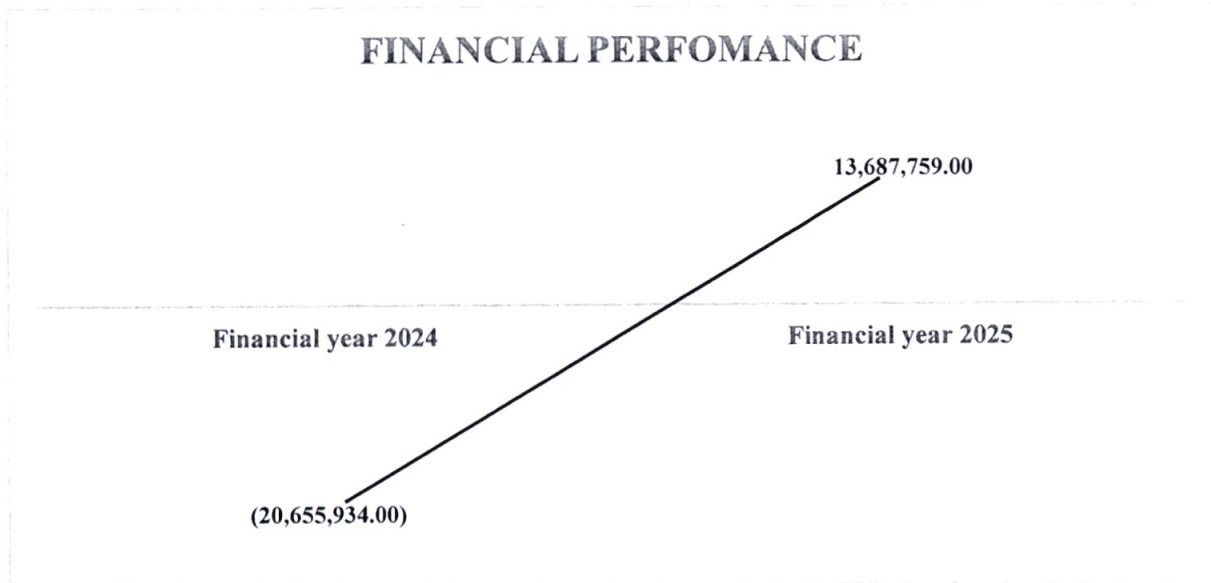
The College has implemented and maintained internal controls designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard and maintain accountability of the College's assets. Such controls are based on Law, Government & College regulations, Policies and circulars and are implemented by trained personnel with appropriate segregation of duties. The effectiveness of the system of internal controls is monitored regularly through operational meetings and the annual external audit.

O. Going Concern

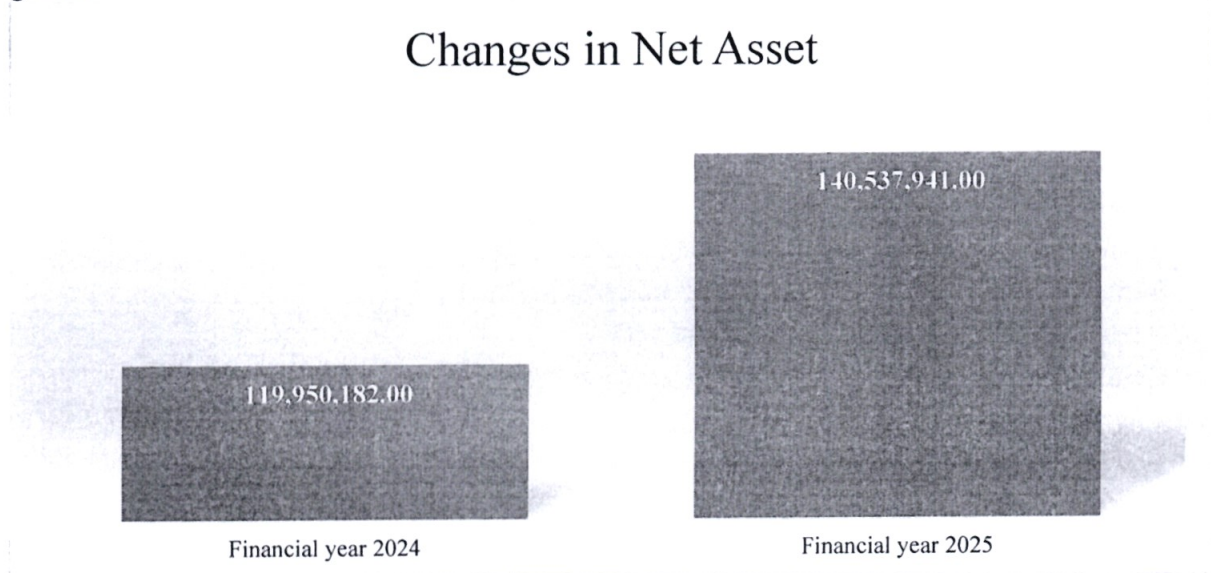
Ndia Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

The College Board confirms that Ndia TVC has adequate resources to continue in operation for the foreseeable future and therefore, the continued use of going concern as a basis of preparing the financial statements.

9. Management Discussion and Analysis



The College posted a **net deficit of Kshs 20.66 million in FY 2024/2025**, compared to a **net surplus of Kshs. 13.69 million in FY 2023/2024**. This turnaround was primarily driven by a significant increase in revenue from student fees and enhanced government transfers in terms of grants.



The College's total net assets and liabilities increased from **Kshs 119.95 million in FY 2023/2024** to **Kshs 140.54 million in FY 2024/2025**, representing a growth of approximately **17%**. This steady growth underscores prudent financial management and enhanced resource mobilization during the reporting period.

External Factors

Ndia TVC operates in a dynamic environment, subject to significant economic and political fluctuations, including the rising cost of living. Below are the major risks identified in FY 2024/2025, along with the associated mitigation measures:

Major Risks and Mitigation Measures

a) Operational Risks

These are losses resulting from inadequate or failed procedures, systems, or policies. Key operational risks include:

- Failure to collect full income owed.
- Students failing to pay full fees.
- Delayed government capitation and scholarship payments.

Mitigation Measures:

- Strict enforcement of the fees payment policy
- Strengthening debt collection processes
- Enforcing 50% tuition fees payment by the middle of the term and full payment of material and examination fees.
- Advocating for infrastructure and development funding

b) Market Risks

Market risks emerged due to the following factors:

- Failure to attract enough trainees due to competition from other TVET colleges.
- Difficulty in recruiting specialist trainers due to financial constraints and lack of experienced personnel.

Mitigation Measures:

- Aggressive marketing of programs
- Improving the diversity and quality of academic offerings
- Enhancing the work environment and staff welfare
- Lobbying the PSC to employ more trainers
- Conducting regular capacity-building programs for staff

c) Liquidity Risks

Liquidity risks arose from the college's inability to meet short-term financial obligations, mainly due to uncollected debts and delayed government capitation.

Mitigation Measures:

- Strengthening fee collection efforts
- Sensitizing trainees on alternative funding sources such as NG-CDF bursaries and HELB loans

Compliance with Statutory Requirements

During FY 2024/2025, Ndia TVC complied with all statutory obligations. There were no instances of non-compliance that could lead to litigation or contingent liabilities.

Governance and Financial Integrity

No financial improprieties or governance issues were reported by the audit committee, external auditors, or other government oversight bodies. A cooperative relationship between the Ndia TVC Board and management has ensured adherence to governance requirements.

10. Environmental and Sustainability Reporting Statement

Sustainability Strategy and Profile

Ndia Technical and Vocational College (TVC) recognizes that its role as a public training institution goes beyond equipping young people with technical skills. The College is also a stakeholder in advancing national and global sustainability priorities, including the United Nations Sustainable Development Goals (SDGs), the African Union's Agenda 2063, and Kenya's Vision 2030.

The College has identified four sustainability priorities:

- i. Mainstreaming green and digital skills into Competency-Based Education and Training (CBET), to prepare youth for a changing labor market.
- ii. Promoting resource efficiency in infrastructure and operations.
- iii. Ensuring equity and inclusivity in access to education and opportunities.
- iv. Strengthening partnerships with government, industry, and development partners to deliver impact.

During the reporting period, significant strides were made. The May 2025 intake marked the first full implementation of the modular CBET curriculum, giving students flexibility in learning while aligning training with modern industry needs. Additionally, collaboration with Finn Church Aid was deepened to support modern training and advanced upskilling, ensuring that trainees acquire not only technical competencies but also exposure to emerging global practices.

Procurement and service delivery processes were anchored on inclusivity and transparency. At least 30% of College contracts were awarded to youth, women, and persons with disabilities, in line with national government requirements. The College also maintained a commitment to engaging local suppliers to boost the area's economic growth.

Environmental Performance

The College operates under an internal Environmental Policy Framework that guides its approach to sustainability. While Ndia TVC is still at an early stage of implementing large-scale green infrastructure, the institution has already made visible progress.

Key interventions included:

- **Energy efficiency:** Security lighting across the compound is powered by solar installations, reducing dependency on grid electricity and enhancing night-time safety. Expansion of solar energy to classrooms and workshops is a medium-term priority, subject to available resources.
- **Waste management:** Waste segregation bins were placed at strategic points within the compound. Staff and students were sensitized on waste reduction practices, including minimizing the use of single-use plastics. Partnerships are being explored with local recyclers to handle paper and plastic waste.
- **Water management:** Maintenance and expansion of water storage systems improved efficiency and reduced water losses.
- **Green construction practices:** Ongoing works, including the Hospitality Department and Electrical Training Unit, incorporated improved ventilation, use of natural light, and open layouts to reduce energy consumption.

In terms of climate change initiatives, tree planting drives were carried out jointly with students, staff, and local leaders, contributing to Kenya's national afforestation targets. The long-term vision is to transform Ndia TVC into a "green campus," with climate-smart landscaping, more renewable energy integration, and sustainable building standards.

Challenges remain, including limited financing for green technologies and partial adoption of paperless systems. These gaps have been recognized, and phased interventions are planned in subsequent reporting periods.

Employee Welfare

Ndia TVC recognizes that its workforce is central to its mission. Recruitment processes are conducted in accordance with government guidelines, taking into account gender balance, youth employment, and opportunities for persons with disabilities.

Employee growth is supported through training and workshops, including participation in curriculum review and professional development activities. Performance appraisals and reward systems are in place, with continuous review to align with best practices.

The College adheres to the Occupational Safety and Health Act, 2007 (OSHA). Safety audits were conducted, fire extinguishers were serviced, and fire drills organized. No major work-related injuries were reported during the year. Staff members also benefited from wellness initiatives, including counselling sessions and health awareness campaigns.

A growing student population has placed pressure on existing staffing levels. The Board and management are progressively addressing this by lobbying for additional government-supported staff positions and optimizing workloads to safeguard quality training.

Marketplace Practices

Responsible Competition Practices

All procurement and tendering processes at Ndia TVC are guided by the Public Procurement and Asset Disposal Act (PPADA), 2015. This legal framework ensures transparency, fairness, and value for money. Open tendering, adherence to anti-corruption measures, and regular oversight by the Board Procurement Committee guarantee accountability.

The College has also expanded its use of cashless payment systems, reducing risks associated with cash handling. Service delivery charters are displayed publicly, ensuring that stakeholders are aware of the standards they can expect and the avenues for redress in case of grievances.

Responsible Supply Chain and Supplier Relations

Ndia TVC values partnerships with suppliers and contractors, ensuring contracts are honored. Priority is given to local suppliers to stimulate the regional economy, while maintaining competitiveness and compliance with PPADA 2015.

Responsible Engagement

The College continues to engage stakeholders ethically and responsibly. Channels include website updates, social media platforms, public consultative forums, and student barazas. Information shared avoids exaggeration or misrepresentation, in line with ethical communication standards.

Corporate Social Responsibility (CSR) and Community Engagement

Ndia TVC understands that its growth is tied to the community it serves. The institution, therefore, prioritizes CSR activities aligned with its training mandate.

Key highlights include:

- **Tree planting initiatives**, involving students, staff, and the local administration, contributing to environmental restoration.
- **Community outreach**: Technical demonstrations in robotics and electrical installations were held in local schools, sparking interest in STEM careers among younger learners.
- **Capacity-building partnerships**: Engagement with Finn Church Aid and other partners extended community benefits by promoting advanced skills training, entrepreneurship, and employability.
- **Soil testing services for the community**: The College extended technical expertise to local farmers by offering soil testing and interpretation. This initiative helps farmers make informed decisions on fertilizer application, crop selection, and land use, ultimately boosting food security and household incomes

The College's CSR activities emphasize sustainability, equity, and long-term impact. Moving forward, Ndia TVC aims to scale up its involvement in community sensitization on renewable energy technologies and skills for green jobs

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 Ndia Technical and Vocational college affairs.

Principal activities

The principal activities of Ndia Technical and vocational college are to offer technical and vocational training

Results

The results of the entity for the year ended June 30 2025 are set out above.

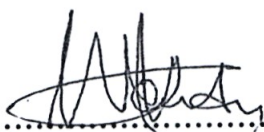
Council/Board of Governors

The members of the Board /Council who served during the year are shown above.

Auditors

The Auditor General is responsible for the statutory audit of Ndia Technical and Vocational College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of Ndia Technical and Vocational College 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 his behalf.

By Order of the Board



.....
Secretary of the Board/Council

Nairobi

Date:17/11/2025

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

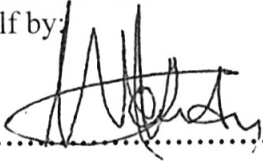
The board members are responsible for the preparation and presentation of the college financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining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

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

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

Approval of the financial statements

The financial statements were approved by the Board on **17th November 2025** and signed on its behalf by:



.....
Name: Eng. Anthony Wandu
Chairperson of the Board/Council



.....
Name: Julius Ng'ang'a
Accounting Officer/Principal

REPUBLIC OF KENYA



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ndia Technical and Vocational College set out on pages 1 to 41, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ndia Technical and Vocational College as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Technical and Vocational Education and Training Act, 2013.

Basis for Qualified Opinion

Unsupported Property, Plant and Equipment

The statement of financial position and as disclosed in Note 20 to the financial statements reflects Kshs.134,937,386 in respect of property, plant and equipment. Included in the balance are net book values of Kshs.58,988,457 for buildings, Kshs.69,522,698 for plant and equipment, Kshs.1,504,687 for motor vehicles, Kshs.4,676,044 for furniture and Kshs.245,500 for computer and IT appliances. However, Management did not provide valuation reports, contract agreements or other supporting documents to confirm the reported values. Further, the value of the land on which the College is situated had not been determined and disclosed separately. In addition, ownership documents for the land and motor vehicles were not provided for audit review.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.134,937,386 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipt budget amount and actual on comparable basis of Kshs.96,810,000 and Kshs.77,264,691 respectively resulting in underfunding of Kshs.19,545,309 or approximately 20% of the budget. Similarly, the College expended Kshs.67,090,792 against actual receipts of

Kshs.77,264,691 resulting in under absorption of Kshs.10,173,899 or approximately 13% of the actual receipts.

The underfunding and under absorption affected implementation of planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect 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 effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, one issue was raised under the Report on Financial Statements and one issue on Report on Lawfulness and Effectiveness in Use of Public Resources, and several issues on Report on Effectiveness of Internal Controls, Risk Management and Governance.

Review of the status during audit of the College in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Lack of Internal Audit Function
2	2023/2024	Failure to Insure Immovable Assets
3	2023/2024	Irregularities in Management of the Board

Other Information

The Management is responsible for the Other Information set out on pages iii to xxxvi which comprise of Key Entity Information and Management, The Council/ 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 the 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, 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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Public Procurement Capacity Building Levy Order, 2023 (Legal Notice No. 206)

Review of documents revealed that contracts amounting to Kshs.25,930,765 were awarded during the period under review without deducting the mandatory levy of 0.03% amounting to Kshs.7,779 from the contracts contrary to the requirements of Legal Notice No. 206 of 2023, The Public Procurement Capacity Building Levy Order, 2023.

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

2. Non-Compliance with the Law on Staff Ethnic Composition

Review of the College staff biodata revealed that out of fifty-six (56) Board of governors technical and non-trainers' staff, fifty-one (51) or approximately 91% were from the dominant ethnic community in the County. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community

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

3. Management of Trade and Other Payables

The statement of financial position and as disclosed in Note 22 to the financial statements reflect trade and other payables from exchange transactions balance of Kshs.23,788,977. However, trade and other payables from exchange transactions balances increased by Kshs.16,909,775 from Kshs.6,879,202 to Kshs.23,788,977 (approximately 246%). This was contrary to Regulation 42(1) of the Public Finance Management (National Government) Regulations, 2015 which states that overall control of national government budget

execution shall be exercised through strict application of the following general rules, which shall apply to all transactions with the specific exception of debt service payments— (a) debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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. Staff Establishment Gaps

Review of the staff establishment revealed that the College had a shortfall of nine (9) non-teaching staff positions, as detailed in the table below;

Department/Office	Required	In-Post	Variance
Estate Coordinator	1	0	1
Security Officer	1	0	1
Production Coordinator	1	0	1
Management Representative	1	0	1
Librarian	1	0	1
ICT Officer	1	0	1
Dispensary Officer	1	0	1
Human Resource Officer	1	0	1
Internal Auditor	1	0	1

In the circumstances, the operations of the College could be adversely affected.

2. Delays in Disbursement of Capitation and Scholarship Funds

During the year under review, the College received Kshs.10,000,000 as transfers from the National Government. In addition, the college collected Kshs.66,107,491 as fees from students. Included in the fees from students is Kshs.54,498,317 for scholarship bursaries from National Government Constituencies Development Fund (NGCDF), National Government Affirmative Action Fund (NGAAF), County Government Bursaries and Higher Education Loans Board (HELB) bursaries. However, there were delays in disbursement of HELB scholarship funds of Kshs.24,065,568 for students which negatively affected the operations of the College.

In the circumstances, the operations of the college was adversely affected.

3. Inadequate Infrastructure

During the year under review, the College had Property, Plant and Equipment (PPE) of Kshs.134,937,386 comprising of equipment used in the workshop for training purposes. However, physical verification revealed that the College lacked enough space for the proper use of the equipment for practicals. Further, the buildings available could not accommodate all the trainees as some use tents for learning. It was noted that the niche for the College was automotive engineering. However, the College was using outdated engine technologies that don't match up with the current trends in the automotive industry.

In the circumstances, the effectiveness of the available infrastructure in the service delivery and achieving the College's mandate could not be confirmed.

4. Long Outstanding Receivables

The statement of financial position and as disclosed in Note 18 to the financial statements reflect current portion of receivables from exchange transactions of Kshs.16,107,530. However, the balances increased from Kshs.1,559,012 in the previous year which represents approximately 933% increase. It was not clear the measures the College had taken to collect the amount due.

In the circumstances, the efficiency and effectiveness of management of receivables could not be determined.

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

Responsibilities of the Management and Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 December 2025

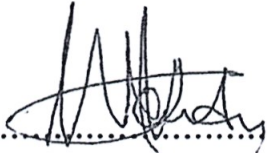
Ndia Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Notes	30th June 2025	30th June 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from National Government Entities	6	10,000,000	2,500,000
Public contributions and donations	7		100,000
Revenue from exchange transactions			2,600,000
Rendering of services- Fees from students	8	66,107,491	15,972,310
Sale of Goods	9	1,157,200	122,150
Rental revenue from facilities and equipment	10	-	93,500
Miscellaneous income	11	-	262,500
Revenue from Exchange transactions		67,264,691	16,450,460
Total revenue		77,264,691	19,050,460
Expenses			
Use of goods and services	12	38,843,986	19,085,917
Employee costs	13	9,275,298	5,032,624
Remuneration of directors	14	1,818,737	1,006,530
Depreciation and amortization expense	15	12,323,171	12,348,213
Repairs and maintenance	16	1,326,540	2,233,110
Total expenses		63,587,732	39,706,394
Net Surplus (Loss) for the Period		13,676,959	(20,655,934)

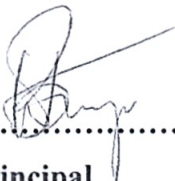
(The notes set out on pages' 21 to 35 form an integral part of the Annual Financial Statements).

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



Chairman of Council/Board

Date:17/11/2025



Principal

Date:17/11/2025



Finance Officer

ICPAK No: ASSO/4180

Date:17/11/2025

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

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

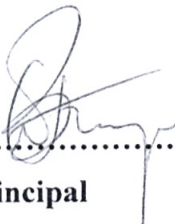
Description	Notes	30th June 2025	30th June 2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	13,197,358	162,204
Current portion of receivables from exchange transactions	18	16,107,530	1,559,012
Receivables from non-exchange transactions	19		500,000
Total Current Asset		29,304,888	2,221,216
Non-current assets			
Property, plant and equipment	20	134,937,386	124,511,166
Intangible assets	21	362,844	386,002
Total Non-Current Assets		135,300,230	124,897,168
Total Assets		164,605,118	127,118,384
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	22	23,788,977	6,879,202
Refundable deposits from customers	23	289,000	289,000
Total liabilities		24,077,977	7,168,202
Net assets		140,527,141	119,950,182
Reserves		(51,285,541)	(64,962,500)
Capital Fund		191,812,682	184,912,682
Total net assets and liabilities		140,527,141	119,950,182

The Financial Statements set out on pages 2 to 2 were signed by:


.....

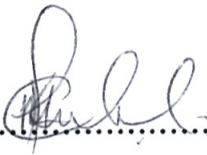
Chairman of Council/Board

Date: 17/11/2025


.....

Principal

Date: 17/11/2025


.....

Finance Officer

ICPAK No: ASSO/4180

Date: 17/11/2025

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

Description	Accumulated Fund	Capital	Total
		Grants/Fund	
At July 1, 2023	(44,306,566)	184,912,682	140,606,116
Surplus/(deficit) for the year	(20,655,934)	-	(20,655,934)
At June 30, 2024	(64,962,500)	184,912,682	119,950,182
At July 1, 2024	(64,962,500)	184,912,682	119,950,182
Surplus/(deficit) for the year	13,676,959	6,900,000	20,576,959
At June 30, 2025	(51,285,541)	191,812,682	140,527,141

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

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

Description	Note	30th June 2025	30th June 2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from National Government entities		10,499,828	2,000,000
Public contributions and donations		-	100,000
Rendering of services- Fees from students		52,599,645	18,729,123
Sale of Goods		116,700	122,150
Miscellaneous income		-	262,500
Total Receipts		63,216,173	21,213,773
Payments			
Employee Costs		9,410,622	4,732,657
Use of goods and services		35,507,113	15,094,666
Remuneration of directors		1,476,744	1,006,530
Repairs and maintenance		1,086,540	644,209
Total Payments		47,481,019	21,478,062
Net cash flows from operating activities		15,735,154	(264,289)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		2,700,000	
Net increase/(decrease) in cash and cash equivalents		13,035,154	(264,289)
Cash and cash equivalents at beginning of the period	17	162,204	426,493
Cash and cash equivalents at end of the period	17	13,197,358	162,204

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

Description	Original	Adjustments	Final Annual Budget	Actual on comparable basis	Performance difference	Utilization Difference
	annual Budget					
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Transfers from National Government entities	10,000,000	-	10,000,000	10,000,000	-	100%
Rendering of services- Fees from students	84,810,000	-	84,810,000	66,107,491	18,702,509	78%
Sale of Goods	2,000,000	-	2,000,000	1,157,200	842,800	58%
Total Revenue	96,810,000	-	96,810,000	77,264,691	19,545,309	80%
Expenditure						
Use of goods and services	47,972,354	-	47,972,354	38,843,986	9,128,368	81%
Employee costs	10,682,746	-	10,682,746	9,275,298	1,407,448	87%
Remuneration of directors	3,111,900	-	3,111,900	1,818,737	1,293,163	58%
Repairs and maintenance	6,000,000	-	6,000,000	1,326,540	4,673,460	22%
Capital expenditure	29,043,000	-	29,043,000	15,826,231	13,216,769	54%
Total Expenses	96,810,000	-	96,810,000	67,090,792	29,719,208	69%
Surplus	-	-	-	10,173,899		

Explanation of Material Differences Between Actual and Budgeted Amounts (IPSAS 24.14)

- **Transfers from National Government Entities**

The full allocation of **Kshs. 10,000,000** was received and utilized as expected. There was no variance in this line item.

- **Rendering of Services – Fees from Students**

Actual collections amounted to **Kshs. 66,107,491** against a budget of **Kshs. 84,810,000**, representing a **22% shortfall**. The variance was primarily due to failure to meet the targeted student enrolment for the financial year. This resulted in lower-than-projected fee income.

- **Sale of Goods**

Income from sale of goods stood at **Kshs. 1,157,200**, against a budget of **Kshs. 2,000,000**, representing a **42% variance**. This was mainly attributable to lower trading activity within the institution during the year compared to projections.

- **Use of Goods**

Actual expenditure on use of goods and services amounted to **Kshs. 38,843,986** against a budget of **Kshs. 47,972,354**, reflecting a **19% variance**. The under-expenditure was mainly due to delayed release of capitation and scholarship funds, which affected the institution's cash flow and led to postponement of several planned operational activities. Additionally, management implemented cost-containment measures to prioritize essential services during the period, resulting in reduced spending on items such as training materials, utilities, and general operational supplies.

- **Employee Costs**

Expenditure on employee costs amounted to **Kshs. 9,275,298**, compared to the budget of **Kshs. 10,682,746**. Although the trainee population increased during the year, leading to the engagement of additional teaching and non-teaching staff mid-year, the expenditure still remained below budget. This is because the new staff were engaged for only part of the year, hence not fully utilizing the allocation.

- **Remuneration of Directors**

Actual expenditure was **Kshs. 1,818,737** against a budget of **Kshs. 3,111,900**, a **42% variance**. This was because the new Board was only appointed in February 2025, and therefore remuneration was not payable for the entire financial year.

- **Repairs and Maintenance**

Actual spending was **Kshs. 1,326,540**, compared to a budget of **Kshs. 6,000,000**, reflecting an **78% variance**. This was due to financial constraints caused by delayed disbursement of funds, which limited the institution's ability to implement the planned repair and maintenance activities.

- **Capital Expenditure**

Actual expenditure was **Kshs. 15,826,231**, against a budget of **Kshs. 29,043,000**, reflecting a **46% variance**. This was due to delays in the disbursement of capitation and scholarship funds, which slowed down project implementation. As a result, a number of projects remained work-in-progress (WIP) at the close of the financial year.

19. Notes to the Financial Statements

1. General Information

Ndia Technical and Vocational College is established by and derives its authority and accountability from TVET Act OF 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is technical & vocational

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 judgement in the process of applying the Ndia Technical & Vocational College accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Ndia Technical and Vocational College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act and international Public Sector Accounting Standards (IPSAS), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 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. Ndia Technical and Vocational College did not adopt the Standard
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 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. Ndia Technical and Vocational College did not adopt the Standard
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 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. Ndia Technical and Vocational College did not adopt the Standard
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of

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	<p>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>Ndia Technical and Vocational College did not adopt the Standard</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an 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>Ndia Technical and Vocational College did not adopt the Standard</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>Ndia Technical and Vocational College did not adopt the Standard</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>Ndia Technical and Vocational College did not adopt the Standard</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>

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

	Ndia Technical and Vocational College did not adopt the Standard
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iii. Early adoption of standards

Ndia Technical and Vocational College did not early adopt any new or amended standards in year ended 30th June 2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on **28/06/2024**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations on the FY 2024/2025 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. 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 Cash flows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule VII of the **income tax Act**.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition.

However, during the financial year ending June 30 2025, Ndia Technical and Vocational College didn't not have any investments on properties.

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.

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. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Ndia Technical and Vocational College financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity

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

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 cash flows 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.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

Provisions are recognized when the college has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the college expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The College did not maintain reserves for the financial year ending June 30, 2025

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

Ndia Technical and Vocational College did not have any Retirement Benefit Plans for its employees nor the directors.

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Ndia Technical and Vocational College did not raise any Provision

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6. Transfers from other National Government entities

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Unconditional grants		
Recurrent grant	10,000,000	2,500,000
Total government grants and subsidies	10,000,000	2,500,000

(a) Transfers from other Government entities (Categorized)

Ndia Technical and Vocational college	Amount recognized to Statement of Financial performance *	Total grant income during the year 2024-2025	FY 2023-2024
	Kshs	Kshs	Kshs
State Department of Technical Education- Recurrent grants	10,000,000	10,000,000	2,500,000
Total	10,000,000	10,000,000	2,500,000

7. Public Contributions and Donations

Description	30th June 2025	30th June 2024
	Kshs	Kshs
Other Grants	-	100,000
Total Grants from Development Partners	-	100,000

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8. Rendering of Services

Description	30th June 25	30th June 24
	KShs	KShs
Activity Fund	3,837,538	842,061
Administration Cost	19,600	550,200
Casual	9,800	275,100
Computer Maintenance	8,400	235,800
Electricity, Water & Conservancy	3,457,793	1,685,549
Industrial Attachment	39,200	74,200
Insurance	1,726,200	308,400
KUCCPS	1,501,000	158,500
Local Transport and Travel	3,452,333	849,889
Personnel Emoluments	10,947,943	1,774,164
Practical Materials	176,200	2,116,530
Registration Fee	1,632,400	182,200
Repairs, Maintenance & Improvements	2,672,569	646,231
Student Identity Card	512,700	74,600
Student Uniform	6,500	80,500
Student Union	4,000	24,000
Student Welfare	921,580	225,660
Tuition SES	34,668,235	5,789,726
TVETA Board	513,500	79,000
Totals	66,107,491	15,972,310

9. Sale of Goods

Description	30th June 2025	30th June 2024
	Kshs	Kshs
Production Unit Income	1,107,000	110,650
Sale of Farm Produce	50,200	11,500
Total Revenue from Sale of Goods	1,157,200	122,150

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10. Rental revenue from facilities and equipment

Description	30th June 2025	30th June 2024
	Kshs	Kshs
Hire of Facilities and Equipment	-	93,500
Total	-	93,500

11. Miscellaneous Income

Description	30th June 25	30th June 24
	Kshs	Kshs
Graduation fees	-	262,500
Total other income	-	262,500

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12. Use of Goods and Services

Description	30th June 2025	30th June 2024
	KShs	KShs
Administrative Expenses	1,397,966	1,018,595
Catering, & Hospitality	2,156,636	758,505
Electricity	374,180	37,455
Fuel ,Oil & Gas	1,008,390	733,406
Games & Sports Expenses	897,168	250,420
Hire Charges	-	3,300
Insurance - Trainees	17,980	30,999
Bank Charges	22,856	8,615
Internet Expenses	253,506	185,600
Local Travel and transport	5,711,377	4,150,700
Marketing /Advertising Expenses	4,768,255	2,393,650
Performance contract (Performance Contract)	279,348	236,800
Practical Materials	13,736,888	3,472,994
Postage	7,800	7725
Printing & Stationery	1,413,010	1,072,300
Security Services	605,900	600,000
Skills Development Costs	338,184	842,785
Subscriptions	1,407,382	645,458
Student Identity Card fee	164,500	55,300
Student Uniforms	162,500	18,000
Student Welfare	150,250	68,700
Subsistence Allowance	1,136,500	1,593,500
Telephone & Airtime	73,500	61,960
Water	147,250	28,255
Graduation Expenses	-	810,895
Examination Payments	2,612,660	-
Total	38,843,986	19,085,917

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13. Employee Costs

Description	30th June 2025	30th June 2024
	KShs	KShs
Basic Salary	8,328,406	4,191,428
Casual Wages	297,650	549,500
Housing Levy 1	124,942	62,892
NSSF Pension Contribution	496,700	220,404
NITA Levy	27,600	8,400
Employee costs	9,275,298	5,032,624

14. Board/Council Expenses

Description	30th June 2025	30th June 2024
	KShs	KShs
BoG PAYE	504,939	354,109
Transport	-	10,000
Housing Levy 2	43,798	18,421
Sitting Allowances	1,270,000	624,000
Total director emoluments	1,818,737	996,530

15. Depreciation and Amortization expense

Description	30 th June 2025	30 th June 2024
	KShs	KShs
Property, plant and equipment		
Total depreciation and amortization	12,323,171	12,348,213

16. Repairs and Maintenance

Description	30 th June 2025	30 th June 2024
	Kshs	Kshs
Repair and Maintenance	1,326,540	2,233,110
Total repairs and maintenance	1,326,540	2,233,110

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17. Cash and Cash Equivalents

Description		30th June 2025	30th June 2024
Financial institution	Account number	KShs	KShs
Kenya Commercial bank	1222475065	13,197,358	162,204
Petty Cash		-	-
Grand total		13,197,358	162,204

18. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	30th June 2025	30th June 2024
	KShs	KShs
Current receivables		
Student debtors	16,107,530	1,559,012
Total current receivables	16,107,530	1,559,012

18 (b) Ageing Analysis of Receivables from Exchange transactions

Description	30-Jun-25		30-Jun-24	
	Kshs		Kshs	
	Current FY	% of the total	Current FY	% of the total
Less than 1 year	16,107,530	100%	1,559,012	100%
Total	16,107,530		1,559,012	100%

19. Receivables from Non-Exchange transactions

Description	30-Jun-25	30-Jun-24
	Kshs	Kshs
Current Receivables		
Government Recurrent Grants	-	500,000
Total Current Receivables	-	500,000

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

Description	30-Jun-25		30-Jun-24	
	Kshs		Kshs	
	Current FY	% of the total	Current FY	% of the total
Less than 1 year	-	-	500,000	100%
Total	-	-	500,000	100%

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20. Property, Plant and Equipment

Cost	Buildings	Motor vehicles	Furniture	Plant and Equipment	Computer and IT appliances	Capital Work in progress	Total
	Kshs	Kshs	Ksh	Kshs	Ksh	Kshs	Kshs
	2.5%	25.0%	12.5%	12.5%			
At 1 July 2023	49,229,772	1,600,000	0	134,082,910	-	-	184,912,682
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-
At 30th June 2024	49,229,772	1,600,000	0	134,082,910	-	-	184,912,682
Additions	14,850,681	1500000	5,344,050	786000	245,500	9,450,681	22,726,231
Disposals	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-
At 30th June 2025	64,080,453	3,100,000	5,344,050	134,868,910	245,500	-	207,638,913
Depreciation And Impairment							
At 1 July 2023	2,895,104	925,000	-	44,257,835	-	-	48,077,939
Depreciation	926,693	168,750	-	11,228,134	-	-	12,323,577
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
At 30th June 2024	3,821,797	1,093,750	-	55,485,969	-	-	60,401,516
Depreciation	1,270,199	501,563	668,006	9,860,243	-	-	12,300,011
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
At 30th June 2025	5,091,996	1,595,313	668,006	65,346,212	-	-	72,701,527
Net Book Values							
At 30th Jun 2024	45,407,975	506,250		78,596,941	-	-	124,511,166
At 30th Jun 2025	58,988,457	1,504,687	4,676,044	69,522,698	245,500	9,450,681	134,937,386

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Notes to the Financial Statements (Continued)

20 (a) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Buildings	64,080,453	5,091,996	58,988,457
Plant And Machinery	134,868,910	65,346,212	69,522,698
Motor Vehicles including Motorcycles	3,100,000	1,595,313	1,504,687
Furniture	5,344,050	668,006	4,676,044
Computer & IT appliances	245,500	-	245,500
Total	207,638,913	72,701,527	134,937,386

21. Intangible Assets

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	386,004	410,640
At end of the year	386,004	410,640
At end of the year	386,004	410,640
Amortization and impairment		
At beginning of the year	24,636	-
Amortization	-	24,636
At end of the year	23,160	24,636
At end of the year	23,160	24,636
NBV	362,844	386,004

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22. Trade and Other Payables

Description	30-Jun-25		30-Jun-24	
	Kshs		Kshs	
Trade payables	23,788,977		6,870,202	
Total Trade and Other Payables			6,870,202	
Ageing analysis:				% of the Total
Under one year	22,810,367	95.9%	6,879,202	100%
1-2 years	978,610	4.1%	-	0%
Total	23,788,977	100%	6,879,202	100%

23. Refundable Deposits from Customers/Students

Description	30-Jun-25		30-Jun-24	
	Kshs		Kshs	
Caution money			289,000	
Total Deposits			289,000	
Ageing analysis:			Current FY	% of the Total
Under one year	0	0%	213,000	74%
1-2 years	289,000	100%	76,000	26%
Total	289,000	100%	289,000	100%

24. Employee Benefit Obligations

Retirement benefit Asset/ Liability

Ndia Technical and Vocational College does not operate a retirement benefit scheme

a) Amounts recognised in the Statement of Financial Position

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

25. Cash generated from operations.

Surplus for the year before tax	30-Jun-25	30-Jun-24
	Kshs	Kshs
Surplus for the year before tax	13,676,959	(20,655,934)
Adjusted for:		
Depreciation	12,323,171	12,348,213
Working Capital Adjustments		
Increase in Receivables	14,048,518	2,163,315
Increase in Payables	3,783,542	5,880,117
Net Cash Flow from Operating Activities	15,735,154	(264,289)

26. 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 carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024			-	-
Receivables from exchange transactions	2,059,012	2,059,012	-	-
Bank balances	162,204	162,204	-	-
Total	4,648,818	4,648,818	-	-
At 30 June 2025			-	-
Receivables from exchange transactions	16,107,530	16,107,530	-	-
Bank balances	13,197,358	13,197,358	-	-
Total	29,304,888	29,304,888	-	-

Financial risk management (continued)

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

The 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.

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	472,097	3,823,755	2,583,350	6,879,202
Total	472,097	3,823,755	2,583,350	6,879,202
At 30 June 2025				
Trade Payables	10,352,879	1,576,914	11,859,184	23,788,977
Total	10,352,879	1,576,914	11,859,184	23,788,977

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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.

iv) Capital Risk Management

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

Description	30-Jun-25	30-Jun-24
	Kshs	Kshs
Retained Earnings	(51,274,741)	(64,962,500)
Capital Reserve	191,812,682	184,912,682
Total Funds	140,537,941	119,950,182
Total Borrowings	0	-
Less: Cash and Bank Balances	13,197,358	162,204
Net Debt/ (Excess Cash and Cash Equivalents)	13,197,358	119,787,978
Gearing	0%	0%

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27. Related Party Balances

Nature of related party relationship

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

Government of Kenya

The Government of Kenya is the principal shareholder of the college, holding 100% of the college 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) Ministry of Education;
- iii) Key management;
- iv) Board of directors;

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

Description	30th June 2025	30th June 2024
	Kshs	Kshs
Transactions with Related Parties		
A) Purchases from related parties		
Purchases of electricity from kplc	374,180	37,455
Purchase of water from govt service providers	147,250	24,255
Training and conference fees paid to govt. agencies	70,000	70,000
Postage	7,800	7,725
Total	599,230	139,435
b) Grants /Transfers from the Government		
Grants from National Govt	10,000,000	2,500,000
Total	10,000,000	2,500,000
c) Expenses incurred on behalf of related parties		
Total		
d) Key Management Compensation		
Directors' emoluments	1,818,737	1,006,530
Total	1,818,737	1,006,530

28. Segment Information

Ndia Technical and vocational College did not do Segmental reporting for the period ending June 2025.

29. Events After the Reporting Period

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

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30. 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.

31. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Unsupported property plants and Equipment figures	1.1 Valuation reports, contract agreements and relevant documents were not provided	Most of the equipment were provided by the state department, the college is working with the valuation office under ministry of lands to ensure its assets are valued	Not Resolved	2025/2026
2.Negative Working Capital	2.1. The statement of financial position at 30 June 2024 reflects a negative working capital of Ksh 4,946,986. 2.2. The net loss for the year was 20,655,934 pushing the college cumulative deficit to Ksh 64,655,934 thus the going concern is in doubt.	The college is working to increase the trainee's population which will intern increase the revenue to boost its income	Resolved	2024/2025

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3. Budgetary Control and performance.	3.1. There was an underperformance of budget revenue of ksh 33,700,340 and over expenditure of ksh 20,647,319 as a result of decline from actual receipts of ksh 19,050,460	The college is working to increase the trainee's population which will intern increase the revenue to boost its income	Resolved	2024/2025
4. Non- Compliance with the Law on Staff Ethnic Composition	4.1. 94% of the members of staff were all from one dominant ethnic community	The college is advertising its job and posting in its website to get national outreach, and in the recent interviews the board ensure the one third rule was achieved.	Not Resolved	2025/2026
5. Lack of Internal Audit Function	5.1. College did not have an internal audit function. Further, the internal audit committee of the board constituted did not meet during the year under review.	The college have outsourced internal audit services from Michuki National Polytechnic, a move aimed at ensuring independent and professional internal audit processes are conducted in accordance with audit best practices and the guidelines issued by the Accounting Standards Board. The Board is fully constituted, as all members of the board were appointed on the 28 th February 2025 and have since formed all board committees, including the Audit and Risk Management Committee.	Resolved	2024/2025

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6. Lack of an Approved Staff Establishment	The institution did not have a staff establishment.	The college have outsourced the services of HR officer from Michuki National Polytechnic to assist in establishing one.	Resolved	2024/2025
7. Irregularities in Assets Management	7.1. Failure to Insure Immovable Assets 7.2. Failure to tag Assets	The institution initiated a tagging exercise for all institutional.	Resolved	2024/2025
8. Failure to Carry Out an Annual Stock Take	8.1. There was no evidence of annual stock take having been taken. In addition, documents provided for audit review revealed that, item procured were not updated in the store's ledger for proper tracking and controls.	The college have undertaken annual stock taking for the FY2024/2025.	Resolved	2024/2025
9. Irregularities in the Management of the Board	9.1. Failure to sign the code of ethics 9.2. Breach Of Chapter 6 of the Constitution- Failure of The Members of the Board to Declare Wealth. 9.3. Failure to Fill the Fit and Proper Test Form. 9.4. Failure to Carry Out Annual Board Evaluation	The Board is now fully constituted following the formal appointment of all Board members on 28th February 2025 through the required procedures including gazette and issuance of appointment letters and has since; • Signed the Code of Ethics;	Resolved	2024/2025

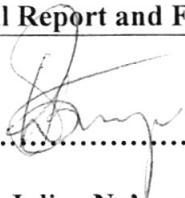
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		<ul style="list-style-type: none"> • Declared their wealth • Filled the fit and proper test forms; and • Carried out annual board performance evaluation. 		
10. Inadequate Infrastructure	10.1. Institution lacked enough space for the proper use of the equipment for practical. In addition, the tutor halls are used for learning and training. Further, the building available could not accommodate all the trainees as some use tents outside for learning.	<p>The college is currently constructing Electrical training units for electrical and electronic trainees, Kitchen and restaurants for hospitality trainees.</p> <p>The college has also engaged development partners who have since constructed 5 classrooms and Ndia NG-CDF is currently constructing three building and civil departments classrooms.</p> <p>The</p>	Resolved	2024/2025 and 2025/2026

Guidance Notes:

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

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Name: Julius Ng'ang'a Burugu
Accounting Officer
Principal-Ndia Technical and Vocational College

Date :29/08/2025

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Appendix II- Inter-Entity Confirmation Letter



MINISTRY OF EDUCATION
(STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING)
NDIA TECHNICAL AND VOCATIONAL COLLEGE

P. O. Box 4 -10230, SAGANA
 Tel: 0799 906 614
 E-mail: ndiatechnical@gmail.com
 Website: www.ndiatvc.ac.ke



The State Department of Technical Education wishes to confirm the amounts disbursed to you as at 30th June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Ndia Technical & Vocational College as at 30th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
MOE/DTE/CAP/45(100)	15 th July 2024	500,000		500,000	
MOE/DTE/SCHO/VOL.1 (124)	23 rd September, 2024	356,102		356,102	
MOE/DTE/SCHO/VOL.1 (125)	23 rd September, 2024	893,614		893,614	
MOE/DTE/SCHO/VOL.1 (133)	23 rd September, 2024	215,005		215,005	
MOE/DTE/SCHO/VOL.1 (125)	24 rd September, 2024	550,949		550,949	
MOE/DTE/CAP/45(103)	4 th October, 2024	S 1,951,600		1,951,600	
MOE/DTE/CAP/46(91)	14 th February, 2025	6,188,000		6,188,000	

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MOE/VTT/ACC/VOL.4/85	24 th February, 2025	10,000,000		10,000,000	
Total		20,655,270		20,655,270	

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 Charles Mwangi Sign [Signature] Date 17/11/2025