

REPUBLIC OF KENYA



PARLIAMENT
OF KENYA
LIBRARY



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

OF

DATE: 04 DEC 2025

DAY.

THURSDAY

TABLED
BY:

MAJORITY LEADER

THE AUDITOR-GENERAL

FINLAT

ON

**CHUKA TECHNICAL AND VOCATIONAL
COLLEGE**

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



CHUKA 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)**



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

Table of Contents

1.	Acronyms and Definition of Key Terms	ii
2.	Key Entity Information and Management.....	iii
3.	The Board of Governors.....	vi
4.	Key Management Team	xi
5.	Chairman’s Statement	xiii
6.	Report of the Principal	xiv
7.	Statement of Performance against Predetermined Objectives	xv
8.	Corporate Governance Statement.....	xix
9.	Management Discussion and Analysis.....	xxi
10.	Environmental And Sustainability Reporting Statement	xxii
11.	Report of the Board of Governors.....	xxiv
12.	Statement of Board of Governors’s Responsibilities	xxv
13.	Report of the Independent Auditor (<i>Chuka Technical And Vocational College</i>)	xxvi
14.	Statement of Financial Performance For The Year Ended 30 June 2025	Error! Bookmark not defined
15.	Statement of Financial Position As At 30th June 2025.....	3
16.	Statement of Changes in Net Asset For The Year Ended 30 June 2025	4
17.	Statement of Cash Flows For The Year Ended 30 June 2025.....	5
18.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025	6
19.	Notes to the Financial Statements	7
20.	Appendices	40

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

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Chuka tvc's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The Chuka Technical and Vocation College was established under the TVET Act/ (No 29 of 2013) on December 2017 and opened its doors in January 2018 The Chuka Technical and Vocation College is domiciled in Kenya and has no branches. The Chuka Technical and Vocation College is under the Ministry of Education.

(b) Principal Activities

The principal activity/mission/ mandate of the Chuka Technical and Vocation College is to provide quality technical vocational education and training and innovation to trainees for industrial revolution.

(c) Key Management

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

- Board of Governor Management.
- Accounting officer/ Principal
- Management.

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Peter Njoroge Rubia Kamau
2.	D/Principal-Administration	Patrick Kimathi Bundi
3	D/Principal-Academic	Veronica Kirigo Chege (left by 30 th May 2025)
4	D/Principal-Academic	Irene Njeri Murithi (Joined by 30 th May 2025)
5	Account officer	Gerald M Rugendo
5	Procurement officer	Lilian Karwirwa Kirera

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Name of the Committee	Members
Finance and Human Resource	1. Dr. Oginda Florence - Chairperson 2. Samuel K Waweru - Member 3. Samuel Nyakundi - Member 4. Rajab Iha - Member
Audit and Compliance	1. Madam Stella Wambeti- Chairperson 2. Samuel K Waweru - Member 3. Erastus Gitaari Kanga- Member 4. Bururia E. Chabari - Member
Academic and Technical	1. Bururia E. Chabari - Chairperson 2. Erastus Gitaari Kanga - Member 3. Mdm Stella Wambeti - Member 4. Rajab Iha - Member

(f) Entity Headquarters
Chuka Technical and Vocation College
Along Chuka-Kaanwa Road
P.O. Box 753-60400,
Chuka, Kenya

(g) Entity Contacts

Telephone :(254)0717694181
E-mail:chukatechnical@gmail.com.
Website: www.chukatechnicalcollege.ac.ke

(h) Entity Bankers

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

(i) Equity Bank
P.O. Box 75104-00200 Nairobi,
Tel:020-2262000 Fax: 2737276
Mobile:0763063000

Email:info@equitybank.co.ke

- (j) Family Bank
P.O.Box 74145-00200 Nairobi,
Tel :(020)3252445
Mobile:0705325325/0737325325
Email:customerservice@familybank.co.ke

(k) Independent Auditors

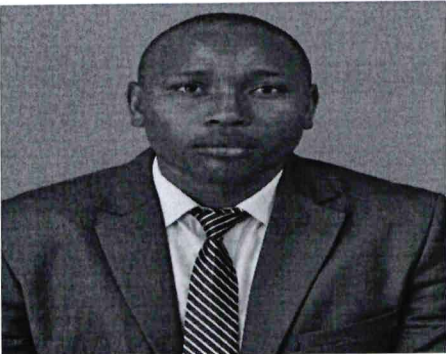

Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya



Key Entity Information and Management (Continued)


(l) Principal Legal Adviser




The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

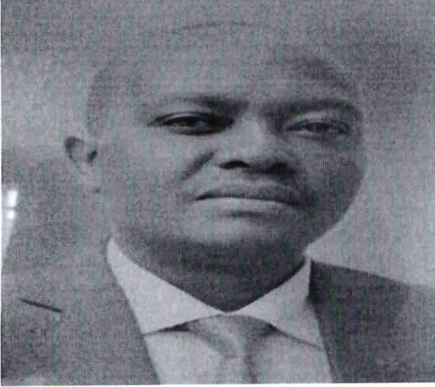
3.The Board of Governors

No.	Member/ Director	Details
1.	 <p>Eng .Frankline Muchiri Gitari Msc. Integrated Watershed Management</p>	<p>Name: Eng. Franklin Muchiri Gitari Position: Chairman of the Board and representing Executive management. Qualifications:</p> <ul style="list-style-type: none"> - Bachelor of Science in Civil Engineering - Dedan Kimathi University of Technology - First Class Honours - Master of Science in Integrated Watershed Management - Kenyatta University - Professional Engineer (PE) – Engineers Board of Kenya - Corporate Member – Institution of Engineers of Kenya <p>Date of Birth: 25th November 1989</p> <p>Experience: Over 9 years experience in Water Resources Management including Design of Water Supply and Sanitation infrastructure from Inception Stage to Final Detailed Design, Preparation of Tender Documents, Procurement of Construction Works Contracts, Supervision of Construction Works, Contract Management and preparation of Water and Sanitation Master Plans, Structural and Civil Works Design.</p>
2.	 <p>Mr Peter Njoroge Rubia Kamau MSC HRM & BED Arts</p>	<p>Masters in Human Resources Management and Bachelors Degree in Education (BEd) Born in 1969. Has 28 years experience in the education sectors. Principal and Secretary B.O.G</p>





<p>3.</p>	 <p>Mr Rajab Ali Iha Masters in Science in information System security. BSc. in Information Technology</p>	<p>Name: Rajab Ali Iha</p> <p>Position: BoG Member representing Information Technology.</p> <p>Qualifications:</p> <ul style="list-style-type: none"> - Bachelor of Science in Information Technology- Jomo Kenyatta University of Agriculture and Technology (JKUAT) - Master of Science in Information System Security- Strathmore University - Certified Information Security Manager – Mile2 - Certified Systems Penetration Testing Engineer – Mile2 - Ethical Hacking – Expertise France - Computer Attack and Defence - i-Lab Africa <p>Date of Birth: 12th October 1992</p> <p>Experience</p> <p>Experienced Team Manager, Network and Information Security Engineer with a demonstrated history of over 9 years cumulatively working in the Ministry of Defence. Previously at Base titanium Limited - a mining and information technology and services industry.</p>
<p>4.</p>	 <p>Dr. Oginda Florence PHD. Business Administration</p>	<p>Name: Dr. Florence E. Oginda</p> <p>Position: BoG Member representing Strategic Management</p> <p>Qualifications:</p> <ul style="list-style-type: none"> - Doctoral degree DBM in Strategic Management - California Miramar University- Sandiego. - Masters in Business Administration (MBA)-University of Nairobi. - A Bachelors Degree in Education (BED) - University of

		<p>Eastern Africa Baraton</p> <ul style="list-style-type: none"> - Certification in Change management- Prosci Institute of South Africa. - Certified Executive Coach <p>Date of Birth: 1958</p> <p>Experience</p> <p>Over 30 years of experience in both Industry and Academia- 13 years in Education and 17 years in human Resource in Kenya Electricity Generating Company PLC.(KenGen). Founder and CEO of Infolife Partners Ltd.- a Consulting firm certified and accredited by Institute of Human Resource Management and NITA- National Industrial Training Authority. An Executive member and Vice Chairperson of Doctoral Association of Eastern Africa (DAEA) currently Chairing Training, Consultancy and Capacity Building committee. Member of Institute of Human Resource Management (IHRM)</p>
5.	 <p>Bururia Edward Chabari Masters Education Management</p>	<p>Name: Bururia Edward Chabari</p> <p>Position: BoG Member representing Quality assurance.</p> <p>Qualifications:</p> <ul style="list-style-type: none"> - Bachelor of Education - Master of Education in Education Management – Chuka University <p>Date of Birth: 1958</p> <p>Experience</p> <p>Over 26 years experience in the education sector including high school teacher, public service with MoE. Senior Deputy Director Quality Assurance and Standards and currently Chairman, County Education Board -Tharaka Nithi County.</p>

6.	 <p>Samuel Nyakundi Bachelor in Information Technology</p>	<p>Name: Samuel Nyakundi Position: BoG Member representing Audit and Compliance. Qualifications: - Bachelor of Business Information Technology (BBIT) - Certificate Course in Insurance (CCI) - Certificate of Proficiency (COP) Date of Birth: 21st December 1985 Experience Over 12 Years experience in the Financial Services and Information Technology.</p>
7.	 <p>Erastus Gitari Kanga Bachelor of Science in Mechanical Engineering</p>	<p>Name: Erastus Gitari Kanga Position: BoG Member representing Mechanical Engineering. Qualifications: - Bachelor of Science in Mechanical Engineering – University of Nairobi Date of Birth: 4th May 1959 Experience 34 years of experience in both the public and private sector including Plant Engineer, Utilities Manager and Packaging Manager at East African Breweries Limited, Plant Engineer at Kenya Meat Commission, Plant Engineer at Mumias Sugar Company and Assistant Engineer at the Ministry of Works.</p>
8.	 <p>Stella Wandeti Bachelor of Science in Computer Science</p>	<p>Name: Stella Wandeti Position: BoG Member representing Information Technology. Qualifications: - Bachelor of Science in Computer Science Date of Birth: 2nd July 1978 Experience Over 15 years of experience as an IT Consultant (Software and Website Front and backend Developer), consulting locally and</p>

		internationally
9.	 <p>Mr. Samuel Waweru MSc. in Computer Based Information System</p>	<p>DOB:27th August 1972 MSc. in Computer Based Information System Director Vocational and Technical Education. Regional Director Embu-Tharaka Nithi Counties</p>

4. Key Management Team

No.	Member/ Director	Details
1.	Mr Peter Njoroge Rubia Kamau MSC HRM & BED Arts. 	Principal
2.	<i>Patrick Kimathi Bundi</i>  BSc. in Information Technology	Deputy/Principal-Administration
3.	<i>Irene Njeri Muriithi</i>  BSc.(Fashion design)	Deputy /Principal-Academic
4.	David G. Ndung'u  CPAK BCom (Finance Option) Ongoing	Finance Officer

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

5.	<p>Gerald Mwangi</p>  <p>CPA</p>	Accountant
6.	<p>Lilian Karwirwa Kirera</p>  <p>Degree in Supply chain managements</p>	Procurement Officer

5. Chairman's Statement

I am pleased to present the annual report and financial statement of Chuka Technical and Vocation College for the year ended 30th June 2025.

Chuka Technical and Vocation College derives mandate mainly from the legal framework governing TVET, which allowed the management to propose these keys activities in order to provide quality technical vocational education, training and innovation to trainees for industrial revolution during the year. The project were namely; Sport field completion, Construction of Ablution block, Construction of fashion and design workshop, Solar security lights Installation, college fencing, procuring of a college bus, Marketing of the college and among others.

During this financial year, financial commitment was geared towards developing and approving implementation of the first college strategic plan which sets out the process of putting up various structures suited to give support to academic programmes being the core function of the institution.

The college received Scholarship grants, HELB loans /bursary and GoK capitation for the college trainees'

The college has witnessed significant growth of the college assets that has promoted a good training environment for both trainers and trainees. In this regard, I wish to thank the members of the board who have provided useful insight to the college management making it possible to collectively make progress. The board is pleased with efforts of the Chuka TVC key management personnel to ensure prudent management of resources.

I thank the government for its financial support so far that has made it possible to implement the Chuka tvc functions and programmes.

I finally, wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.



Eng. Frankline Muchiri Gitari
CHAIRMAN BOARD OF GOVERNORS

DATE 28/08/2025



6. Report of the Principal

Chuka Technical and vocational college puts its trainees at the center of its activities by ensuring that the quality training and research programmes offered are essential and relevant to the dynamic world of work. The institute blends the imparting of competences with entrepreneurship skills to actively prepare trainees for the job market. Training on innovation and nurturing of creative talents is done through various initiatives such as participation in TVET research competitions. Trainees are mentored on skills needed in the attainment of Kenya's development agenda.

The year under review saw Chuka Technical and vocational college continue to upscale efforts to fulfill its mandate of providing education and training, research and innovation consultancy and community service as stipulated in the TVET Act 2013.

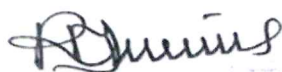
The main source of Finance for the institute during the year under review was the fees paid by the trainees.

As a result of preparation of final financial statements for the year ended 30th June 2025, in accordance with the accrual bases of accounting method under the international public sector accounting standard (IPSAS) the College had a revenue of Kshs. 268,217,232.70 and the expenditure of Kshs. 146,395,032 resulting to a surplus of Kshs. 121,822,200.70 which increased the reserve in the financial position.

The year under review had a budget of ksh. 370,075,850 and Expenses during the year was ksh. 146,395,032 which is an indication that the approved budget was not fully implemented due to the difference in actual income. The difference was as a result of the Government capitation since it was not disbursed fully and proposed Government funded project was also not in progress during the financial year.

As a College, we acknowledge the commitment of the Government towards the TVET Sector. We recognize in a special way the efforts of H.E The president, William S Ruto to make TVET accessible and affordable by reducing the tuition fee and increasing of TVET institutions in the country. We remain committed to quality training and declare our resolve to continue addressing the opportunities and challenges that come our way more so, in playing our role in the realization of the Bottom-up Agenda.

I thank all the staffs and trainees of Chuka tvc for their continued cooperation in this challenging but noble task of building the college and I look forward to the same cooperation and enthusiastic participation in 2024-2025 financial year.



Mr Peter Njoroge Rubia Kamau **DATE** **28/08/2025**
PRINCIPAL/ CEO/ SECRETARY BOARD OF GOVERNORS

7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Accounting officer to 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.

Chuka TVC has 5 strategic pillars and objectives within its Strategic Plan for the FY 2023/2014-2027. These strategic pillars are as follows:

- Pillar 1: Governance
- Pillar 2: Access and Equity
- Pillar 3: Physical Infrastructure
- Pillar 4: Training and Research
- Pillar 5: Collaboration

Chuka TVC develops its annual work plans based on the above 5 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The *Chuka TVC* achieved its performance targets set for the FY 2024/2025 period for its 5 strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	Governance	Improve institutional corporate governance	-Developed Policies - Competent leaders - Competent Finance and	-Review all institutional policies to align with the strategic plan. -Carry out capacity building for the Top Management and the Staff on leadership. -Carry out Benchmarking on leadership, finance, procurement and curriculum implementation.	-Reviewed policies -Capacity building for staff undertaken

			Procurement officers -Job descriptions developed	-Develop and issue Job descriptions to all staff in the institute. -Staff Job descriptions developed	-Benchmarking carried out
		Mobilize financial resource to fund strategic plan	-Proposals - Income generating activities enhanced	-Prepare and present proposals per year for funding to the government through MoE -Enhance income generating activities	-More funding for the college. Income generating activity (sun flower oil extraction) has been launched.
Pillar 2:	Access and equity	Increase student enrollment	Student enrollment increased	-Marketing through advertisements, use of posters and brochures, -Participation in trade fairs and exhibitions and one on one meeting. -Introduce new programme -Sensitize students and parents on	-Increased student population and branding of the Institution

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

				various avenues of funding -Capacity building and training of staff	
		Promote equity on the programs offered in the institute		-Sensitization on the programs offered in the institute -Industrial exposure through educational trips	
Pillar 3:	Physical Infrastructure	Improve and expand Institutional Infrastructure	-Workshops, lecture rooms and ICT infrastructure improved	-Complete the electrical mechanical workshop -Equip the library -Equip all the academic departments -Maintain current infrastructure in good condition -Construct a tuition block with a library and ICT lab. -Construct a food and beverage complex -Acquire additional 2 acres of land -Construct a tuition block funded by the	-Good learning environment

				board	
Pillar 4:	Training and research	Introduce new academic programs	Increased learning programs	-Establish general agriculture program -Establish at least 2 CBET curriculum	-Increased student population
		Streamline curriculum-based research	Projects undertaken and written	-Assign trainee's supervisors during research project writing -Purchase research guide books -Establish research coordinator office	-Well coordinated project writing process
		Enhance innovation	-Innovations developed	-Participate during innovation competitions -Patenting of innovations	- students acquire more knowledge
Pillar 5:	Collaboration	Enhance collaboration with the industry	-Signed MoU's	-Sensitization on skills offered at the institute -Sign MoUs -Timely feedback -Timely Information- Competent personnel handl	- Cordial relationship with industries

8. Corporate Governance Statement

Chuka TVC is committed to exhibiting best practices in all aspects of corporate governance as guided by the provisions of the Education Act (Cap 211). This Act provides guidance on effective leadership, governance and management of public resources controlled by the Board of Governors.

i) The Board of Governors

This is the governing body of Chuka TVC. The Board comprises eight members as disclosed in pages 4 to 5. The Board of Governors is constituted taking into account requirements of the sector, diversity of skills, age, value addition, gender, academic qualifications and experience necessary to help achieve the College goals and objectives. The Board of Governors is appointed by the Cabinet Secretary for Education.

As the governing body of the Chuka TVC, the Board, have a responsibility of maintaining a sound system of internal controls that support the achievement of policies, aims and objectives, whilst safeguarding the public and other Colleges resources. The Chuka tvc board of Governor is vested with powers and authority from the provisions of the Education Act (Cap 211). In discharging its mandate, the Board is guided by the Act to effectively fulfil its corporate governance responsibility towards its stakeholders. In addition, it has adopted Guidelines on Corporate Governance developed by the Commission for Technical and Vocational Education.

The Chuka tvc board of Governor is also the executive governing body responsible for the academic policy and strategic direction of the College, including its external relations, and for the Administration of the College. The Board is responsible for the management of the College's finances and assets, in accordance with the Public Financial Management Act, 2012 and Public Financial regulations of 2015.

Meetings of the Board of Governors

The meetings of the Governors are held at least once every quarter in a Financial Year.

Governor Committees

To promote smooth running of its affairs, certain functions of the Board of Governor are delegated to its committees which report to the Board of Governors. These Committees include the following:

- i) Finance and Human Resource.
- ii) Audit and Compliance.

iii) Academic and Technical.

All Committees of the Board of Governor have an appointed chairperson. The decisions and recommendations of these committees are formally reported to the Board of Governors.

Remuneration of the Board of Governors

The members of the Board of Governor, other than the Principal (the secretary to the board), do not receive a salary. However the Chairman of BoG is paid monthly Honararia of ksh 30,000 and other members of Governors are paid a sitting allowance for every meeting attended at the rate of Ksh. 27,000 per sitting.

Corporate Governance Training

During the financial year 2024/2025 there an appointment of the new board of governors.

9. Management Discussion and Analysis

As a result of preparation of final financial statements for the year ended 30th June 2025, in accordance with the accrual bases of accounting method under the international public sector accounting standard (IPSAS) the College had an income of Kshs. 268,217,232.70 and the expenditure of Kshs. 146,395,032 resulting to a surplus of Kshs. 121,822,200.70 which increased the reserve in the financial position.

Below is the table of the key projects that were proposed and strategized from previous financial year but only a few implemented due to financial shortage and government failure to respond on development grant in various key projects. The projects below attempted and used part of fund from trainee's fees.

S/No	CAPITAL PROJECTS	CURRENT STATUS IN %
1.	construction of tuition block	0%
2.	sport field completion	90%
3.	Network upgrade(segmentation)	93%
4.	Asset valuer fee	45%
5.	Tagging of the asset	45%
6.	Processing of title deed	30%
7.	Construction of fashion and design workshop	60%
8.	College bus	95%
9.	Procuring of green house	5%
10.	Ablution block	75%
11.	Solar security Installation	85%
12.	Installation of Power Electrical Generator	50%
13.	construction of ICT LAB, Innovation laboratory & Electrical dpt office	50%
14.	Borehole	5%

10. Environmental And Sustainability Reporting Statement

Chuka tvc exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 5 pillars.

Sustainability strategy and profile

Chuka tvc exists to transform lives.

The management has aggressively invested in the installation Management Information Software for efficiency and effectiveness in management process and data processing. In addition, we are refurbishing the institute website for marketing and for effective communication to all our stakeholders. Marketing of courses both locally and nationally to attract trainees to equip them with hand on skills for employability and self-employment. The institute's location in a low settlement area with adverse dry climatic weather conditions has affected its growth. The management is committed to continual improvement of the face of the institute by, paving the pathwayBIGs to improve cleanliness as well securing the facility by proper fencing.

Environmental performance

The management has implemented policy on planting of trees under the green economy for sustainable environment. In addition, we have improved our environment by planting flowers along designated pathways and gardens for general aesthetics. The Institute disposes its wastes appropriately both the WC waste and waste waters through the sewerage system. Adequate sanitation areas with hand wash have been provided for maintenance of hygiene. Provision of clean water for consumption and for general cleaning through collaborations with water companies in the locality. Need for increase water reservoirs and connectivity for treated water systems to prevent water borne diseases.

Employee welfare

The management recruits BoG staff both trainers and support staff equity based on the need. The recruitment is guided by an MoU which details the terms and references of engagement of staff. The management observes integrity, professionalism, gender and disability inclusivity, as well as stakeholder involvement. The Board has developed staff establishment and career Progression policy for Chuka tvc BoG staff. We undertake annual staff appraisal and training Needs assessment to establish gap for capacity building. Chuka tvc athere to Occupational Safety and Health Act of 2007, (OSHA) regulations by providing protection clothing to our staff while on duty

Market place practices-

Chuka tvc has outlined its efforts to:

a) Responsible competition practice.

Has continually sensitized both staff and students on corruption prevention matters. The service charter in English and Swahili has clearly been

displayed at the main gate and at strategic service points such as the The institute upholds section 6 of the constitution of Kenya for all of the officers while on duty. The management customer care office, library, registrar's office, dean's office, Guidance and counselling office, dining hall and procurement office.

- b) Responsible Supply chain and supplier relations – The management implement the Public Procurement and asset Disposal Act of 2015 and its Regulations of 2022 in all its procurement for goods, services and contracts.
- c) Chuka tvc advertises our training programs through our website, the media, and door to door marketing strategies through the Local administration and Personal selling through good examination performance and quality services and customer focus.

Product stewardship - Our customer rights and interests have been safe guarded by clear communications to our customers through relevant offices the dean's office. We also provide newsletters to convey crucial and authentic information to our customers. We used authorized communication channels the official addresses, mobile numbers and emails.

Corporate Social Responsibility / Community Engagements

. Chuka tvc engages in social corporate responsibility activities by provision of face masks to the local administration nearby. We also visit children's homes in our locality through the Christian movement in the institute and support them with food and clothing. We undertake annual cleaning up of the Kaanua Market and its environs and sensitize them on the government policies in relation to access to TVET courses, Procurement opportunities among others.

11. Report of the Board of Governors

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

Principal activities

The principal activities of the Chuka TVC ;

- a. To conduct training at tertiary level in technical and vocational education and training fields.
- b. To determine curricula appropriate for training of the various manpower category and specialization required by the labour market through careful selection of available syllabi from local or international institutions recognized by the Ministry of Education (MoE).
- c. To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- d. To promote and inculcate Entrepreneurial skills and culture within the institute's staff and students.
- e. To conduct Applied Research.
- f. To undertake income-generating activities through production, consultancy and tailor-made short courses, in-service courses, equipment and facility hiring and hospitality services to compliment Government grants and fees revenue

Results

The results of the Chuka Tvc for the year ended June 2025 are set out on page 1 to 8

Board of Governors

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

Auditors

The Auditor General is responsible for the statutory audit of the *Chuka TVC* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *Chuka TVC* for the year/period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

Mr Peter Njoroge Rubia Kamau
Secretary of the Board
Chuka Technical and Vocational College

12. Statement of Board of Governors'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 the 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 Board 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 Board members are also responsible for safeguarding the assets of the college.

The Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year ended on June 30, 2025 This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of 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's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Technical and Vocational Education and Training Act, 2013 The Board members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2025, and of the college's financial position as at that date. The Board 1 members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

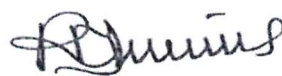
Nothing has come to the attention of the Board members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The *Chuka TVC's* financial statements were approved by the Board on 28/08/2025 and signed on its behalf by:



Eng .Frankline Muchiri Gitari



Mr Peter Njoroge Rubia Kamau

REPUBLIC OF KENYA



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

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

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

Basis for Qualified Opinion

1. Unaccounted for Caution Money

As previously reported, the statement of financial position reflects refundable deposits balance of Kshs.3,442,000 being caution money as disclosed in Note 21 to the financial statements. However, the supporting ledger reflects a balance of Kshs.1,084,000 leading to unexplained and unreconciled variance of Kshs.2,338,000. In addition, a separate bank account was not maintained for caution money.

In the circumstances, the accuracy and completeness of the refundable deposits balance of Kshs.3,422,000 could not be confirmed.

2. Inaccuracies in Property, Plant and Equipment

As reported previously, the statement of financial position reflects property, plant and equipment net book value of Kshs.35,473,218 as disclosed in Note 17 to the financial statements. However, ownership documents for one parcel of land were not provided for audit. Further, review of records revealed that the land was donated for the development of the Institution but minutes of award from the community or the County Government were not provided for audit.

In addition, review of the asset register revealed that the assets are not registered with their values, machines donated by the Ministry of Education since 2021, which had not been put to use, among others, were not included in the register, the assets were not insured, depreciation was not provided for in the register and the assets were not tagged.

In the circumstances, the accuracy and completeness of property, plant and equipment net book value of Kshs.35,473,218 could not be confirmed.

3. Unconfirmed Current Portion of Receivables from Exchange Transactions

As previously reported, the statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.192,148,036 as disclosed in Note 15(a) to the financial statements. Review of the financial statements for the financial year 2024/2025 revealed that the current portion of receivables from exchange

transactions increased from Kshs.92,531,917 in the previous year (2023/2024) to Kshs.192,148,036 in the year under review. This represents an increase of Kshs.99,616,119 (approximately 108%). The increase indicates that a larger proportion of the Institution's revenues due from exchange transactions (such as student fees, service income, and other operational receivables) remained outstanding at year-end.

Further, evidence of measures taken by the Management to ensure collection of balances totalling Kshs.192,148,036 were not provided for audit review. This was contrary to Regulation 64(1)(a) and (b) of the Public Finance Management (National Governments) Regulations, 2015 which states that an Accounting Officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all National Government revenue and other public moneys relating to their Ministries, Departments or Agencies.

In the circumstances, the accuracy and recoverability of current portion of receivables from exchange transactions balance of Kshs.192,148,036 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Chuka 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 receipts budget and actual on comparable basis of Kshs.370,075,850 and Kshs.260,633,133 respectively resulting to an under-funding of Kshs.109,442,717 or 30% of the budget. Similarly, the College spent Kshs.155,241,534 against actual receipts of Kshs.260,633,133 resulting to an under-utilization of Kshs.105,391,599 or 40% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, review of the status during audit revealed that the following matters remained unresolved as summarized in **Appendix I** as at 30 June, 2025.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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-Adherence to Data Protection Requirements

As previously reported, review of the College's data management practices revealed that the College is not registered with the Data Commissioner and had no registered data controllers and data processors. This was contrary to Section 18(1) the Data Protection Act, 2019 which states that subject to (2), no person shall act as a data controller or data processor unless registered with the Data Commissioner.

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

2. Incomplete Implementation of INTELLIMIS System

As previously reported, review of the service level agreement provided for audit revealed that the College entered into a contract with a vendor for the provision of a system with four modules namely: Finance Management Module, Student Management Module, Procurement and Stores Management Module, Examination Module and Portal. However, review of the implementation of the system revealed that despite full payment and monthly subscription, several system modules were not functional.

Further, the system was controlled by the service provider where the user does not operate it independently as the reports required by the Institution had to be directed by the service provider.

In the circumstances, commensurate value for money has not been obtained in the annual subscription fee.

3. Non-Compliance with Law on Persons with Disability Requirements

Review of the current staff establishment revealed that out of a total of twenty-five (25) employees, none of them are persons living with disabilities. This is contrary to the requirements of Section 13 of the Persons with Disability Act, 2003 which requires that a minimum of 5% of the workforce be comprised of persons living with disabilities

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

4. Non – Compliance with the Public Procurement Capacity Building Levy Order

The Management did not provide for audit, documentary evidence to confirm that the College complied with paragraph 3(1) of the Public Procurement Capacity Building Levy, Order 2023 which states that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes. In addition, Public Procurement Regulatory Authority (PPRA) circular No. 01/2024 dated 30 August, 2024 which requires procurement entities to remit the levy to the Authority through the e-Citizen payment platform by the 20th day of the subsequent month and also file monthly returns.

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. Use of Manual Payroll and Recording of Students Fees

As previously reported, the College operated a manual system in processing payroll. The use of Manual system requires manual calculation of deductions and net pay and constant monthly or annual updates of the data manually which is prone to error or manipulations. The Management did not provide a justification of maintaining a manual payroll and did not demonstrate mechanisms put in place to protect payroll data integrity in respect of the manual. Further, review of the College's fees collection systems revealed that College continued to collect and record student fees manually. Payments are received in cash and recorded using handwritten receipts and manual ledgers, despite the presence of a functional automated revenue collection system.

This practice bypasses the system's built-in controls and reduces the reliability of financial reporting and may also lead to losses.

In the circumstances, the continued use of a manual payroll system without adequate control measures indicates ineffective internal controls and weak risk management practices over payroll processing and data integrity.

2. Operating Without a Staff Establishment, Procedures and Human Resource, & Financial Management Policies Manual

Audit of the personnel and the payroll records showed that the College had a total twenty-Five (25) members of staff. However, it did not have a staff establishment approved by the Council or Board. The audit also revealed that the Institution did not have an updated and approved Human Resource and Financial Management Policies & Procedures in place. It was also noted that the College does not have an approved Finance Manual and Fees Policy to guide the collection, recording, and management of fees revenue. The absence of these key documents means that financial operations are not governed by standardized procedures or controls.

In the circumstances, the controls of effectiveness in fee staff optimal levels, optimal revenue collection and risk assessments could not be confirmed.

Lack of an Approved ICT Policy

The audit established that the College lacks an approved Information and Communication Technology (ICT) Policy. This means that the use, management, and security of ICT systems and resources are not guided by formalized procedures.

In the absence of approved ICT policy, the College may not reap maximum benefits from investments in ICT.

3. Lack of Risk Management Policy

As previously reported, the College did not have in place a risk management policy and risk register. This is contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

As a result, there were no approved processes and guidelines on how to mitigate operational, legal and financial risks. Management could not therefore, identify significance of business risks and likelihood of their occurrence.

In the circumstances, the effectiveness of the College's risk management strategies could not be confirmed.

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

Responsibilities of Management and the Board of Management

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 Management 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

25 November, 2025

Appendix 1; Unresolved Prior Year Audit Matters

	Financial Year	Audit Issue
1	2023/2024	Inaccuracy in Student Caution Money
2	2023/2024	Inaccuracies in Property, Plant and Equipment
3	2023/2024	Inaccurate Current Portion of Receivables from Exchange Transactions
4	2023/2024	Non-Adherence to Data Protection Requirements
5	2023/2024	Incomplete Implementation of INTELLIMIS System
6	2023/2024	Lack of Risk Management Policy
7	2023/2024	Use of Manual Payroll
8	2023/2024	Operating Without Staff Establishment, Procedures and Management Policy Manuals

Chuka 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 30th June 2025

Description	Notes	FY 2024-2025	FY2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	58,257,138	38,998,538
Grants from donors and development partners		-	
Transfers from other levels of government		-	
Public contributions and donations		-	
Total		58,257,138	38,998,538
Revenue from Exchange transactions			
Rendering of services- fees from students	7	202,261,146	116,984,058
Miscellaneous income	8	114,849	125,300
Total Revenue from Exchange transactions		202,375,995	117,109,358
Total Revenue		260,633,133	156,107,896
Expenses			
Use of goods and services	09(a)	126,601,166	55,368,933
Employee costs	10	5,893,138	8,330,629
Board of governor Expenses	11	1,098,853	1,196,000
Depreciation and amortization expense	12	2,733,620	2,747,540
Repairs and maintenance	13	21,648,377	28,713,334
Finance costs	22		
Total Expenses		157,975,154	96,356,435
Other Gains/(Losses)			
Gain on sale of assets	23		
Gain/ Loss on fair value of investments	24		
Impairment loss	25		
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		102,657,979	59,751,461

(The notes set out on pages 9 to 55 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 01 to 07 were signed by:

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

**Eng .Frankline Muchiri
Gitari
Chairman of Board**



Date 28/08/2025

**Peter Njoroge R.Kamau
Principal**



Date 28/08/2025

**David G.Ndung'u
Finance Officer**

ICPAK No 24902




Date 12/08/2025

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

Description	Notes	FY2024-2025	FY2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	1,281,667	3,877,760
Current portion of receivables from exchange transactions	15(a)	192,148,036	92,531,917
Inventories	16	19,655,514	4,100,300
Total Current Assets		213,085,217	100,509,977
Non-Current Assets			
Property, plant, and equipment	17	35,473,218	16,305,565
Intangible assets	18	501,120	556,800
Total Non-Current Assets		35,974,338	16,862,365
Total Assets (A)		249,059,555	117,372,342
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	20	24,725,216	11,788,219
Refundable deposits	21	3,422,000	2,906,000
Payments received in advance	22	15,576,238	0
Total non-current liabilities		43,723,454	14,694,219
Total Liabilities (B)		43,723,454	14,694,219
Net Assets (A-B)		205,336,101	102,678,122
Revaluation Reserves			0
Accumulated Surplus		195,708,267	93,050,288
Capital Fund		9,627,834	9,627,834
Net Assets		205,336,101	102,678,122

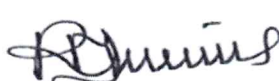
The Financial Statements set out on pages 01 to 07 were signed by:

Eng. Frankline Muchiri
Gitari
Chairman of Board



Date 28/08/2025

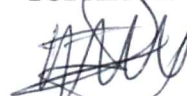
Peter Njoroge R. Kamau
Principal



Date 28/08/2025

David G. Ndung'u
Finance Officer

ICPAK No 24902



Date 28/08/2025

16. Statement of Changes in Net Asset for the year ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)		33,298,827	9,627,834	42,926,661
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	59,751,461		59,751,461
Additional assets out of paid creditors				
Capital grants received during the year	-			-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
At June 30, 2024	-	93,050,288	9,627,834	102,678,122
At July 1, 2024 (current year)	-	93,050,288	9,627,834	102,678,122
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	102,657,979		102,657,979
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2025	-	195,708,267	9,627,834	205,336,101

..

Chuka Technical And Vocational College

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		FY 2024-2025	FY2023-2024
	Note		Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	58,257,138	38,998,538
Grants from donors and development partners		0	0
Transfers from other levels of government		0	0
Public contributions and donations		0	0
Rendering of services- fees from students	7(b)	80,069,391	61,416,540
Refundable Deposits from Trainees	21(b)	0	966,100
Rental revenue from facilities and equipment		0	0
Finance income		0	0
Miscellaneous income	8	114,849	125,300
Total Receipts		138,441,378	101,506,478
Payments		0	
Use of goods and services	9(b)	107,389,381	53,818,773
Employee costs	10	5,893,138	8,330,629
Board Expenses	11	1,098,853	1,196,000
Repairs and maintenance	13(b)	14,027,139	26,435,297
Contracted services		0	-
Grants and subsidies		0	-
Total Payments		128,408,511	89,780,698
Net Cash Flows from operating activities	23	10,032,867	11,725,779
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	17	-12,628,960	-9,286,070
Proceeds from sale of property, plant and equipment			0
Installation of MIS System			0
Net cash flows used in investing activities		-12,628,960.00	-9,286,070
Cash flows from financing activities			
Proceeds from Borrowing		0	0
Repayment of Borrowings		0	0
Net cash flows used in financing activities		0	0
Net Increase/(Decrease) in Cash and Cash equivalents		-2,596,093	2,439,709
Cash and Cash equivalents at 1 JULY 2024	14	3,877,760	1,438,051
Cash and Cash equivalents at 30 JUNE 2025	14	1,281,667	3,877,760

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other National Government entities	222,045,510	-	222,045,510	58,257,138	163,788,372	74%
Grants from donors and development partners	-	-	-			
Transfers from other levels of government	-	-	-			
Public contributions and donations	-	-	-			
Rendering of services- fees from students	147,821,340	-	147,821,340	202,261,146	-54,439,806	37%
Sale of goods	-	-	-			
Rental revenue from facilities and equipment	-	-	-			
Finance income	-	-	-			
Miscellaneous Income	209,000	-	209,000	114,849	94,151	45%
Total Income	370,075,850	-	370,075,850	260,633,133		
Expenses						
Use of goods and services	198,465,154	-	198,465,154	126,601,166	71,863,988	36%
Employee costs	45,267,438	-	45,267,438	5,893,138	39,374,300	87%
Board Expenses	10,209,600	-	10,209,600	1,098,853	9,110,747	89%
Repairs and maintenance	116,133,658	-	116,133,658	21,648,377	94,485,281	81%
Grants and subsidies	-	-	-			
Total Expenditure	370,075,850	-	370,075,850	155,241,534		
Surplus For the Period	-	-	-	105,391,599		
Capital Expenditure	-	-	-		-	-

19. Notes to the Financial Statements

1. General Information

Chuka TVC is established by and derives its authority and accountability from 2013 Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. Chuka TVC's principal activity is Technical and vocational training.

2. Statement of Compliance and Basis of Preparation

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

Notes to the financial statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i>

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

	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. <p>Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <ul style="list-style-type: none"> iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

(Chuka tvc is established by and derives its authority and accountability from TVET Act. Of 2013. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The college's principal activity is Technical and vocational training did not early-adopt any new or amended standards in year 2023

Notes to the financial statements (Continued)

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

Sale of goods

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

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net 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.

Notes to the financial statements (Continued)

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on 21/06/2024. Subsequent revisions or additional appropriations are 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. Chuka TVC did not record additional appropriations of college on the FY 2024/2025 budget. The Chuka TVC's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 01 under section of these financial statements.

c) Taxes

Current income tax

The Chuka tvc is exempt from paying taxes as per schedule of the 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) 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.

e) Intangible assets

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

f) 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.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Notes to the financial statements (Continued)

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.

Financial liabilities

Classification

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

g) Inventories

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

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

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

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 *Chuka tvc*.

h) Provisions

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

Contingent liabilities

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

Contingent assets

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

i) 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.

j) Nature and purpose of reserves

The Chuka tvc creates and maintains reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

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

l) Employee benefits

Retirement benefit plans

The Chuka tvc provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

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

n) 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.

o) Related parties

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

The Chuka TVC 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 Chuka tvc, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

Notes to the financial statements (Continued)

p) Service concession arrangements

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

q) 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.

r) Comparative figures

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

s) 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, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

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

Notes to the financial statements (Continued)

6. Transfers from other National Government entities

Description	FY 2024-2025	FY 2023-2024
	Kshs	
Unconditional Grants		
Capitation grant	6,346,225	18,328,925
Operational grant		10,000,000
Scholarship	51,910,913	10,669,613
Other Grants		-
Total unconditional Grants	58,257,138	38,998,538
Conditional Grants amortised/recognised in revenue		
Library Grant		-
Hostels Grant		-
Administration Block Grant		-
Laboratory Grant		-
Learning Facilities Grant		-
Other Organizational Grants		-
Total Government Grants and Subsidies		-

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of State TVET Department	58,257,138	-	-	58,257,138	38,998,538
TVET Ministry	-	-	-	-	-
Total	58,257,138	0	0	58,257,138	38,998,538

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

Notes to the financial statements (Continued)

7. Rendering of Services

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Tuition Fees	182,990,150	94,848,603
Activity Fees	-	0
Industrial Attachment Fees	-	3,298,170
Examination Fees	15,013,796	7,530,282
Student welfare	2,298,800	3,941,200
Facilities And Materials		0
Registration Fees	1,517,500	1,461,503
Tender fee		42,000
Student IDs fee	440,900	1,161,300
KUCCPS Placement fee		4,701,000
Total Revenue from The Rendering of Services	202,261,146	116,984,058

7.(B) Rendering of Services (trainees fee Banked)

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Tuition fee	80,069,391	52,063,752
Examination fees	-	6,182,425
Student welfare	-	1,434,672
Registration fees	-	924,580
Tender fee	-	-
Student I.D cards	-	811,111
Total Revenue from The Rendering of Services	80,069,391	61,416,540

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

Notes to the financial statements (Continued)

8. Miscellaneous Income

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Insurance recoveries		0
Consultancy fees		0
Fine for Damages		30,272
I.G.A-Production of Goods Income	114,849	95,028
Sale Of Scrap Items		0
Graduation fees		0
Bad debts recovered		0
Income written back		0
Others (<i>specify</i>)		0
Total other income	114,849	125,300

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

Notes to the financial statements (Continued)

9. (A) Use of Goods and Services

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Teaching and learning materials	62,242,267	15,057,185
Industrial attachment costs	2,096,413	665,671
Electricity	791,323	989,158
Water	60,960	38,716
Security	858,300	480,000
Professional and Consultancy services		
Marketing expenses	7,593,310	4,978,064
Examination fees	13,296,549	4,965,765
Audit fees (and debts)	65,000	191,206
Catering, NYS Meals	3,736,345	
Travelling and accommodation	1,046,159	2,612,855
Fuel and oil	185,041	58,497
Postage	20,730	380
Printing and Stationery		788,620
Cleaning expenses	326,650	434,574
DSTV expenes	40,408	31,460
Nita Levies		
Internet expenses	818,820	695,996
Strategic Plan Expenses		275,950
Administration expenses	15,568,265	9,362,010
Activities expenses	7,168,510	3,356,867
Student welfare expenses	4,007,281	2,210,199
Students I.D expenses	19,200	155,880
college website expenses	55,612	6,248

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

NYS Learning materials	63,810	
Bank Charges	137,178	
MIS-Softwares Bill	319,000	
Registration expenses		1,507,110
KUCCPS Placement fee	2,080,450	-
Tender expenses		390
Farm expenses	220,050	662,800
NYS Accommodation	2,023,000	1,610,000
NYS Medical exp	197,315	47,290
students accommodation	369,000	61,500
Subscription	1,194,220	
Total good and services	126,601,166	55,368,933

9 (B) Use of Goods and Services (cash basis)-Less credit supply

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Use of Goods and Services (cash basis)-Less credit supply	107,389,381	53,818,773

10. Employee Costs

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Salaries and wages	5,045,121	7,065,595
Employee related costs - contributions to pensions and medical aids	848,017	264,426
Travel, motor car, accommodation, subsistence and other allowances		-
Housing benefits and allowances		-
Overtime payments		-
Social contributions		1,000,608
Employee Costs	5,893,138	8,330,629

11. Board Expenses

Description	FY 2024-2025	FY2023-2024
		Kshs
Chairman's Honoraria		-
	1,098,853	
BOG Emoluments		1,196,000
Allowances		-
Other Board/Council Expenses		-

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

Total	1,098,853	1,196,000
--------------	------------------	------------------

12. Depreciation and Amortization expense

Property, plant and equipment	2,677,940	2,677,940
Intangible assets	55,680	69,600
Investment property carried at cost		-
Total depreciation and amortization	2,733,620	2,747,540

13. (A) Repairs and Maintenance

Improving The College	21,648,377	28,713,334
Building repair		-
college beatification exp		-
carpentry works/furniture repair		-
Furniture Materials repair Expense		-
Gutter Fixing Exp		-
library grilling exp		-
Pavement expenses		-
Offices repair		-
workshop expenses		-
Total Repairs and Maintenance	21,648,377	28,713,334

13(B) Repairs and maintenance (Cash basis)

Repairs and maintenance (Cash basis)	14,027,139	26,435,297
---------------------------------------	------------	------------

14. Cash and Cash Equivalents

Current Account	1,268,517	3,842,250
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
cash on hand	13150	35,510
Total Cash and Cash Equivalents	1,281,667	3,877,760

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

Notes to the financial statements (Continued)

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

Financial Institution	Account Number	FY 2024-2025	
		KSh	KSh
a) Current Account			
Equity bank-Student fees acc	0140262845461	750,578	3,659,605
Equity bank-capitation acc	0210275926204	403,090	87,617
Family bank		114,849	95,028
Sub- Total		1,268,517	3,842,250
b) Others(Specify)			
Cash in Transit			-
Cash in Hand		13,150	35,510
Mobile Money account			-
Sub- Total		13,150	35,510
Grand Total		1,281,667	3,877,760

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
Current Receivables		
Student Debtors	192,148,036	92,531,917
Rent Debtors		-
Consultancy Debtors		-
Less: Impairment Allowance		-
Total Current Receivables	192,148,036	92,531,917

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

Notes to the financial statements (Continued)

15 (b) Ageing Analysis of Receivables from Exchange transactions

Description	FY2024-2025		FY2023-2024	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	10,956,504	6%	50,499,061	55%
Between 1- 2 years	37,187,524	19%	4,761,647	5%
Between 2-3 years	7,541,857	4%	37,271,209	40%
Over 3 years	136,471,167	71%		%
Total (a+b)	192,148,036		92,531,917	

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

Notes to the financial statements (Continued)

16 Inventories

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Administration Department	525,925	39,640
Mechanical Departments	1,751,565	1,260,328
Building Department	833,105	120,430
Business Department	0	84,600
Agriculture Department	82,900	4,520
Games and Sports Department	983,348	42900
Kitchen Department	174,990	75,580
Cleaning Department	13,301	17,444
Electrical Department	386,150	351,369
Fasion & Design dpt	2,480,695	28,010
Library Dpt	2,075,479	2,075,479
ICT Department	148,986	0
Survey Section	1,114,100	
Beauty And Hair Dressing	1,586,480	
Catering And Hospitality	7,498,490	
	19,655,514	4,100,300

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

Notes to the financial statements (Continued)

17 Property, Plant and Equipment

	Land and Buildings	Furniture and fittings	Computers	Other Assets (Specify)	Plant and equipment	Capital Work in progress	Total
	0	12.50%	33%		25%		
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 1July 2023	5,979,651	3,112,230	1,587,000	0	1,907,493	-	12,586,374
Additions	2,780,880	4,513,780	90,495		1,900,915		9,286,070
Disposals							-
Transfer/adjustments							-
At 30th June 2024	8,760,531	7,626,010	1,677,495	0	3,808,408	0	21,872,444
							-
At 1July 2024	8,760,531	7,626,010	1,677,495	0	3,808,408	-	21,872,444
Additions	12,727,785	2,631,500	1,893,260		4,593,050		21,845,595
Disposals	-						
Transfer/adjustments	-						
At 30th June 2025	21,488,316	10,257,510	3,570,755	-	8,401,458	-	43,718,039
depreciation							

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

At 1July 2023	237,145	545,437	792,236	-	1,314,123		2,888,941
depretiation	219,013	953,251	553,573	-	952,102	-	2,677,940
Disposals	-						
Transfer/adjustments	-						
At 30th June 2024	456,158	1,498,688	1,345,809	-	2,266,225	-	5,566,881
At 1July 2024	456,158	1,498,688	1,345,809	-	2,266,225	-	5,566,881
depretiation	219,013	953,251	553,573	-	952,102	-	2,677,940
At 30th June 2025	675,172	2,451,940	1,899,383	-	3,218,327	-	8,244,821
Net book value							
At 30th June 2024	8,304,373	6,127,322	331,686	-	1,542,183	-	16,305,563
At 30th June 2025	20,813,144	7,805,571	1,671,372	-	5,183,131	-	35,473,218

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by xxx professional valuers on xxx. These amounts were adopted in the financial statements on xxx.

17 (b) 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:

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

Notes to the financial statements (Continued)

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	8,760,531	456,158	8,304,373
Plant And Machinery	3,808,408	2,266,225	1,542,183
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	1,677,495	1,345,809	331,686
Office Equipment, Furniture, And Fittings	7,626,010	1,498,686	6,127,324
Total (on Accrued basis)	21,872,444	5,566,879	16,305,565
(17C) Property, Plant and Equipment at Cost (Cash basis)	12,628,960	0	0

18. Intangible Assets

Description	2023-2024	2022-2024
	Kshs	Kshs
Cost	-	696000
At beginning of the year	556,800	-
Additions	-	-
At end of the year	-	696,000
Additions—internal development	-	-
At end of the year	556,800	696,000

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

Amortization and impairment	55,680	69,600
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss		69,600
At end of the year		69,600
NBV	501,120	556,800

20. Trade and Other Payables

Description	FY 2024-2025		FY 2023-2024	
Trade payables -(Appendix VI: Pending bills)	24,525,216		4,569,720	
Payments received in advance	-		7,118,499	
Salary deductions	-		-	
Trade payables -Audit fee	200,000		100,000	
Other payables-KUCCPS Placement fee	-		-	
Total Trade and Other Payables	24,725,216		11,788,219	
Ageing analysis:			Current FY	% of the Total
Under one year	24,525,216		100	%
1-2 years			-	%
2-3 years			-	%
Over 3 years			-	%
Total (to tie to totals above)			-	%

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

Notes to the financial statements (Continued)

21. Refundable Deposits from Customers/Students-(Invoiced)

Descriptionss	FY2024-2025		FY2023-2024	
	Kshs		Kshs	
Consumer deposits			0	
Caution money	3,422,000		2,906,000	
Other refundable deposits			0	
Total Deposits	3,422,000		2,906,000	
Ageing analysis:	Current FY	% of the Total	Current FY	% of the Total
Under one year	110,000	3%	80,000	3%
1-2 years	406,000	12%	256,000	9%
2-3 years	850,000	25%	700,000	24%
Over 3 years	2,056,000	60%	1,870,000	64%
Total (to tie to totals deposits above)	3,422,000	100%	2,906,000	100%

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

Notes to the financial statements (Continued)

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 Chuka tvc's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 2,160 per employee per month. Other than NSSF the entity also has a defined contribution scheme operated by Pension Fund. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

22. Payments received in advance.

Description	FY2024-2025	FY2023-2024	
	Kshs	Kshs	
Fees received in advance	15,576,238	7,118,499	
Others (Specify)		-	
Total	15,576,238	7,118,499	
Ageing analysis:		Current FY	% of the Total
Under one year	1,450,000	1,450,000	9%
1-2 years	2,560,000	2,560,000	16%
2-3 years	4,447,838	4,447,838	29%
Over 3 years	7,118,400	7,118,400	46%
Total	15,576,238	15,576,238	100%

Notes to the financial statements (Continued)

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

23. Cash generated from operations.

Surplus for the year before tax	FY2024-2025	FY2023-2024
	Kshs	Kshs
Adjusted for:	102,657,979	59,751,461
Depreciation	2,733,620	2,747,540
Working Capital Adjustments		0
Increase in Inventory	(15,555,214)	181,621
Increase in Receivables	(99,610,119)	(61,697,062)
Increase in Payables	12,936,997	3,623,720
Increase in Payments received in advance	6,353,604	7,118,499
	516,000	
Net Cash Flow from Operating Activities	10,032,867	11,725,779

24 Financial Risk Management

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

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

(i) Credit risk

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

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

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

Notes to the financial statements (Continued)

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:

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

Notes to the financial statements (Continued)

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	FY2024-2025	FY2023-2024
	Kshs	Kshs
Revaluation Reserve		-
Retained Earnings	195,708,267	59,751,461
Capital Reserve	9,627,834	
Total Funds		59,751,461
Total Borrowings		
Less: Cash and Bank Balances	1,281,667	3,877,760
Net Debt/(Excess Cash and Cash Equivalents)		55,873,701
Gearing		94%

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

Notes to the financial statements (Continued)

25 Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies		-
Rent income from govt. agencies		-
Water sales to govt. agencies		-
Others (<i>specify</i>)		-
Total		-
B) Purchases from related parties		-

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

Description	FY2024-2025	FY2023-2024
	Kshs	Kshs
Purchases of electricity from kplc	791,323	989,158
Purchase of water from govt service providers	60,960	38,716
Rent expenses paid to govt agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others (<i>specify</i>)		-
Total	852,283	1,027,874
b) Grants /Transfers from the Government		-
Grants from National Govt	-	38,998,538
Grants from County Government		0
Donations in Kind		-
Total	-	38,998,538
c) Expenses incurred on behalf of related parties		-
Payments of Salaries and Wages for Employees		-
Payments for Goods and Services for XX		-
Total		
d) Key Management Compensation		
BOG s' emoluments		1,196,000
Compensation to Key Management		-
Total		1,196,000

ii. **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)
In Financial Report FY2023/2024 Audit Report.	1.Lack of the approved Policies 2.Inaccuracy in the financial Statements	1.All Policies are in Approval Stage 2. Proir Year Inaccuracy is currently addressed in this year financial Statements.	Resolved	

Guidance Notes:

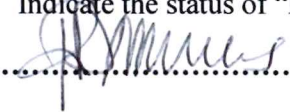
- (i) Use the same reference numbers as contained in the external audit report;

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

- (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.


.....

Peter Njoroge Rubia Kamau
Accounting Officer
Chuka TVC
28/08/2025

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

Appendix II: Projects Implemented by (Chuka Technical and Vocational College)

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

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

Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity... **STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL EDUCATION AND TRAINING**

Name of beneficiary entity **Chuka Technical And Vocational College**

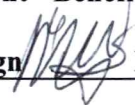
Confirmation of amounts received by Chuka Technical And Vocational College as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	20/09/2024	3,889,668	-	3,889,668.1	Scholarship
	20/09/2024	2,344,321.1	-	2,344,321.1	Scholarship
	20/09/2024	25,437,180.4	-	25,437,180.4	Scholarship
	23/09/2024	93,892.1	-	93,892.1	Scholarship
	23/09/2024	6,346,225	-	6,346,225	Scholarship
	24/09/2024	1,813,527.9	-	1,813,527.9	Scholarship
	25/09/2024	93,892.1	-	93,892.1	Scholarship
	14/02/2025	18,238,425	-	18,238,425	Scholarship
Total		58,257,131.7	-	58,257,131.7	

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: Chuka Technical and vocational co

Name **David G. Ndung'u** Sign  Date **28/08/2024**

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

--

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

Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item.	Amount (Kshs.)	Comments.

Appendix VI: Pending bills

