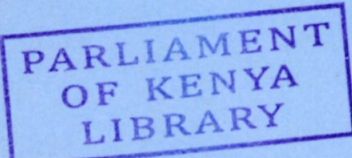


REPUBLIC OF KENYA



REPORT

OF




THE AUDITOR-GENERAL

ON

WANGA TECHNICAL AND VOCATIONAL COLLEGE

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

| | |
|---|--|
|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 12 MAR 2026 | |
| DAY: THUR | |
| TABLED BY: | <i>MR. LEADER OF THE OPPOSITION HON. DWEN BAMP</i> |
| CLERK-AT THE TABLE: | <i>MERA CHUMU</i> |



(Wanga 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)

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

| | |
|-------|--|
| BOG | Board of Governors |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards |
| PFM | Public Finance Management |
| PSASB | Public Sector Accounting Standards Board |
| TVC | Technical Vocational College |
| NITA | National Industrial Training Authority |

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key College Information and Management

(a) Background information

Wanga Technical and Vocational College was established under the TVET Act 2013 on 1st September 2019. The College is domiciled in Kenya. The college is under the Ministry of Education State Department for Technical Vocational Education and Training. It is Located in Kakamega County, Mumias East Sub county 2KM off Kakamega Mumias Road along Shianda Sabatia Road. The Institution offers Technical Training in the following Departments; Building and Civil Engineering, Mechanical Engineering, ICT, Business and Institutional Management.

(b) Principal Activities

The Principal activity of the college is to provide technical and vocational education and training, preparing individuals for the workforce and equipping them with the skills and knowledge needed for various sectors of the economy.

MISSION.

Empowering trainees through Technical Education and skills development that meets the current industry requirements.

VISION.

A centre of Excellence in Quality Technical Education, Research and innovation and community Service.

CORE VALUES.

- i. Good Governance.
- ii. Accountability.
- iii Transparency.
- iv.Proffessionalism.
- v.Integrity.
- vi. Team Work.
- vii.Efficiency.

(c) Key Management

Wanga Technical and Vocational College day-to-day management is under the following key organs:

- Board of Governors
- Senior Management Team.

Wanga Technical and Vocational College
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(d) Fiduciary Management

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

| SN. | Designation | Name |
|-----|---|-----------------------------|
| 1. | Principal | Mrs. Grace Opwora. |
| 2. | Deputy Principal Finance & Administration | Mr. Tom Makomere. |
| 3. | Deputy Principal Academics. | Mrs. Violet Ocharo. |
| 3. | Registrar | Mr. Duncan Owino. |
| 5 | Dean of students | Mrs. Rodah Kutukhulu |
| 6 | Head of Finance | CPA Collins Wamalwa |
| 7 | Examination Officer | Mr. Gregory Musonye |

(e) Fiduciary Oversight Arrangements

The Highest decision-making organ of Wanga Technical and Vocational College is the Board of Governors which operates within the prescribed Mwangozo guidelines, TVET Act provisions and the Ministry of Education and National Treasury guidelines. The B.O.G makes strategic and policy decisions through Board Resolutions upon receiving the reports from the Board Committees which include Education Research and Human Resource Committee, Finance Infrastructure and General-Purpose Committee, Audit & Risk Committee.

The Management is responsible for executing the Board resolutions and ensuring the relevant Acts, Laws, Guidelines and regulations are observed and adhered to. The Management therefore is tasked with the daily running of the Institution as per the Ministry guidelines. The management has a responsibility of ensuring there are sufficient internal checks and controls that safeguard the public resources and interest.

Wanga Technical and Vocational College, being a public institution is subject to audit by the Office of the Auditor General and the Ministry of Education Internal Auditors who provide assurance to stakeholders that the affairs of the College are run as per the laid down standards and regulations

(f) College Headquarters
Wanga Technical and Vocational College
Along Shianda Sabatia Road,
P.O. Box 78-50106, Shianda




(g) College Contacts
Telephone: (254) 0115052875
E-mail: Wangatechnical@gmail.com
Website: www.wangatvc.co.ke

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- (h) **College Bankers**
KCB Bank Kenya Limited
MUMIAS Branch
P.O BOX 193-50102
MUMIAS
- (i) **Independent Auditors**
Auditor-General
Office of Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya.
- (j) **Principal Legal Adviser**

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

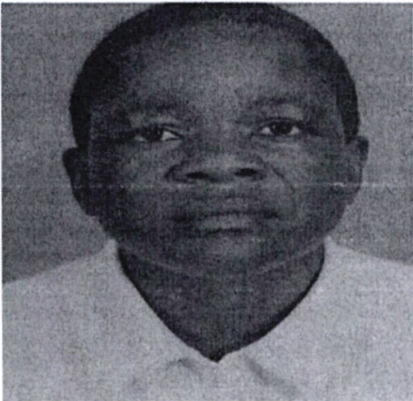

3. The Board of Governors

| <i>SN.</i> | <i>Member</i> | <i>Details</i> |
|------------|--|--|
| 1. |  DR. TIMOTHY AKALI | <p>D.O.B -11th January 1978.He holds PhD in project planning and management (Finance).He is a business development consultant and part time Lecturer at The University of Nairobi Faculty of Business management Science. He is the Chairman of Board of Governors</p> |
| 2. |  DR. SAMUEL WAWERU MEMBER | <p>D.O. B 11th November 1960.He is a holder of PhD in Civil Engineering from Masinde Muliro University (MMUST) and Senior Lecturer in the Department of Civil and Structural Engineering at the same university. He is currently the Director, Technical and Vocational, Education and Training (TVET) at MMUST. He has published international journals and participated in local and international conferences and workshops. He is the chair of Audit and Risk Committee.</p> |
| 3. |  PRO.KELVIN OMIENO MEMBER | <p>D.O.B- 12th March 1984.He is a holder of PHD in Business Information System. He is an associate Professor of Information Technology and current Founding Dean of the School of Computing and Information Technology at Kaimosi Friends University. He is a Professional member with ACM, Internet Society and Association of Computing Professionals Kenya. He is the Chair Education and Human Resource Committee.</p> |



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




| | | |
|----|--|--|
| 4. |  MR. JOSEPH SUNGUTI CDTVET /MEMBER | <p>D.O.B- 1963</p> <p>-He is the TVET regional Director, Vihiga/ Kaka mega counties</p> <p>-He is a holder of Masters in Education</p> <p>-He has experience of over 10 years in TVET</p> |
| 5. |  MRS. GRACE OPWORA PRINCIPAL/SECRETARY BOG | <p>D.O.B- 22nd August 1967. she is a graduate of Egerton University with a Bachelor's degree in Clothing Textiles and Interior Design and a Diploma in teacher Education from KTTC. She has a teaching experience of over 30 years having served in various capacities until she rose to the position of Principal.</p> |
| 6. |  MRS.HELLEN AKALAPATAN MEMBER | <p>D.O.B- 7th July 1983. A holder of Masters of Arts in project planning and management from University of Nairobi and Bachelors degree in Urban and Regional planning. She is the member of Education and Human Resource Committee.</p> |
| 7. |  MR. CALEB JOTHAM MIYAWA MEMBER. | <p>D.O.B-1stJuly 1956. He is a holder of Bachelor of Technology Education. (Mechanical option). He is a member of Audit and Risk Committee.</p> |

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



| | | |
|-----------|---|--|
| <p>8.</p> |  <p>CPA. BILLIAH SHITSINZI MEMBER</p> | <p>D.O.B-1970</p> <p>She is a holder of Bachelor of Business Management (BBM), Finance & Accounting Moi university She is a Member of the Institute of Certified Public Accountants of Kenya, ICPAK, having qualified as a professional accountant in 2002. ICPAK member no. 4998 She is also a certified financial analyst (CFA) She has served in various capacities; as an external auditor with Kenya National Audit office (KENAO) for 5 years, as an accountant at Moi University, and head of finance at Alupe University college. She is a member of Audit and Risk committee.</p> |
| <p>9.</p> |  <p>ENG. ANDREW NG'ENO MEMBER</p> | <p>D.O.B -4th November 1961 Work experience: Director –AGM Construction and Engineering Ltd Head of Processing and Engineering – Kenya Seed Co. Ltd Workshop Manager – Chemelil Sugar Co. Ltd Maintenance Manager – LONRHO Agribusiness E.A Ltd (EATEC) He is the Chairperson Finance, Infrastructure and General Purpose Committee.</p> |

4. Key Management Team

| SN. | Member | Details |
|-----|---|--|
| 1. | <p>MRS.GRACE OPWORA</p>  <p>PRINCIPAL/SECRETARY BOG Bachelor's degree in Clothing Textiles and Interior Design. Diploma in teacher Education from KTTC</p> | <p>THE PRINCIPAL. -Accounting Officer. -Secretary BOG.</p> |
| 2. | <p>MR. TOM MAKOMERE</p>  <p><i>Bsc. Electrical and Electronic Eng. (JKUAT) Bed (Technology), Moi University Member, Engineers Board of Kenya (EBK)</i></p> | <p>DEPUTY PRINCIPAL FINANCE AND ADMINISTRATION -Head of Administrative matters and Finance.</p> |

| | | |
|-----------|---|--|
| <p>3.</p> | <p>MRS.VIOLET OCHARO</p>  <p><i>Bachelor Of Technology In Mechanical Engineering.</i></p> | <p>DEPUTY PRINCIPAL ACADEMICS. In charge of the College Academic Affairs.</p> |
| <p>4</p> | <p>MR.DUNCAN OWINO</p>  <p>HND Building and Civil Engineering.</p> | <p>REGISTRAR In charge of College Marketing and admissions of new trainees and readmission of Continuing trainees.</p> |
| <p>3.</p> | <p>MR.GREGORY PAUL MUSONYE</p>  <p>Bachelors Degree In Business Management (HRM)</p> | <p>EXAMINATIONS OFFICER. In charge of internal and external examinations matters.</p> |

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

| | | |
|----|---|--|
| 4. |  <p>CPA COLLINS SIFUNA WAMALWA Bachelor Of Commerce (Accounting)- UON CPA(K)</p> | <p>FINANCE OFFICER -Financial management.</p> |
| 5. |  <p>MRS. RODAH KUTUKHULU Degree Clothing , Textile and Interior design- Egerton University</p> | <p>DEAN OF STUDENTS. In charge of trainees affairs.</p> |

5.Chairman’s Statement

I am pleased to present to our stakeholders the financial statements for the financial year 2024/2025.

Wanga technical and vocational college is a TVET institution under the ministry of education, state department of technical and vocational training. The college’s core activity is training and development. The college provides technical and vocational training to students, focusing in developing skills in line with labour market demands.

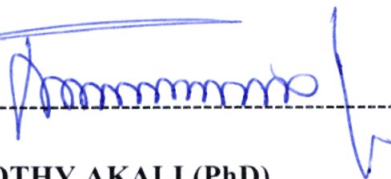
As the Board of Governors, we are guided by the TVETs Act, Mwongozo guidelines, Ministry of education and National treasury guidelines in ensuring we offer strategic and policy direction that is aligned with the ministry objectives. We are aware of the oversight responsibility bestowed on us individually and collectively in achieving the set targets as signed with the ministry. We remain focused to offer this critical direction and ensure the success of the college.

While we operate as a Board, we have established relevant Board committees that oversees various aspects of the college and interacts with management proposals as submitted to the committees. We acknowledge that the college requires steady growth and have ensured we maintain desired stakeholders’ engagement to support the college as required, desired goals and objectives.

The college faces a myriad of challenges including lack of infrastructural facilities, shortage of trainers, funding constraints, etc. We have however ensured that we set sufficient structures and offer policy direction to ensure we are guided within set rules and policies.

While the college has these challenges, we are optimistic that with sufficient financial support from the Ministry and with our developed strategic plan, aggressive market and steady enrolment being observed, we shall be able to set the college on an upward trajectory and ensure the goals are realized. We remain committed as a Board to support the Ministry and engage at all levels to ensure Wanga Technical and Vocational college becomes an enviable institution in the country.

Signed -----



-----date-----

27/08/2025

DR. TIMOTHY AKALI (PhD)
CHAIRMAN, BOARD OF GOVERNORS.

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

6. Report of the Principal

I am delighted to present to our stakeholders the financial report and statements for the financial year 2024/2025.

Wanga technical and vocational college is a TVET institution under the Ministry of education, State department of Technical and Vocational training.

The college was established on 1st September 2019. It is located in Kakamega County, Mumias East Sub- County.

Wanga Technical and vocational college's core activity is training and development of skills. The college provides technical and vocational training to students, focusing on developing skills in line with labour market demands.

Besides training, other activities in the college include: Research and Innovation in different fields; Building collaborations with organisations, industries and stakeholders to enhance TVET delivery and relevance; entrepreneurship development among trainees. We have also established linkages with various industries where students get practical experience through field attachments which is part of the curriculum.

In the financial year 2024/2025 the college's revenue dropped. The Government remittance in form of capitation grants dropped from **Kes. 10,609,186** in the previous year to **Kes. 9,933,150** in the current year 2024/2025.

The college also did not receive scholarship funds from the Government in the current year. Revenue from exchange transactions also dropped from **Kes. 44,398,467** in the previous year 2023/2024 to **Kes. 36,514,295** in the current year 2024/2025. This low revenue is attributable to a drop in enrolment and low payment of school fees.

This drop in revenue has impacted negatively on the performance of the college. The college is struggling to meet its short-term obligations such as payment of employee's salary, electricity bills, local travelling etc. Moreover, college suppliers have also not been paid. As at the close of the financial year 2024/2025 pending bills amounted to **Kes. 5,603,888**.

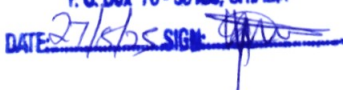
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We have however ensured that we set sufficient structures and offer policy direction to ensure we are guided within set rules and policies.

While the college has these challenges, we are optimistic that with sufficient financial support from the ministry and with our developed strategic plan, aggressive marketing and steady enrolment being observed, we shall be able to set the college on an upward trajectory and ensure the goals are realized. We remain committed as management to support the Ministry and engage at all levels to ensure Wanga Technical and Vocational college becomes a centre of excellence in quality technical training in the country.

Signed -----date

MRS. GRACE OPWORA
(PRINCIPAL)

PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 78 - 50106, SHAGGA
DATE: 27/6/25 SIGN: 

7. Statement of Performance against Predetermined Objectives

Wanga Technical and vocational college has 5 strategic pillars /issues and objectives within current Strategic Plan for the FY 2023- FY 2028. These strategic pillars are as follows:

- Pillar/ issue 1: Quality training
- Pillar/ issue 2: Development of infrastructure and other facilities
- Pillar/issue 3: Research and innovations
- Pillar/ issue 4: Trainee wellbeing
- Pillar / issue 5: Staff development

Wanga Technical and Vocational college 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 *College* 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 |
|------------------|--|--|---|------------------------|
| Quality training | To produce qualified, relevant and holistic graduates | Trainers' capacity building needs assessment report | Undertake trainers' capacity building needs assessment | Done |
| | | Capacity building programme in place | Prepare capacity building programme | Programme in place |
| | | No. of trainers' capacity built | Undertake capacity building of trainers | 30 trainer trained. |
| | To enhance access, equity, quality and relevance to TVET | No. of flexible and blended programmes designed | Design flexible and blended training programmes | 10 programs designed |
| | | No. of trainees enrolled | Launch flexible and blended programmes | 37 trainees enrolled |
| | | No. of trainee beneficiaries of HELB loans, Government scholarships, | Sensitize trainees and guardians on availability of HELB loans, Government scholarships, county governments and | 300 trainees benefited |

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| | | | | |
|--|---|---|--|--|
| | | county and CDF bursaries | CDF bursary allocations | |
| Development of infrastructure and other facilities | To provide adequate infrastructure for quality service delivery | % completion rate | Renovate the administration/Tuition block. | 100% done |
| | | No of student chairs acquired | Acquiring students' chairs | 100 chairs purchased |
| | | No of white boards acquired | Acquisition of white boards | 20 white boards purchased |
| | | No of Chairs acquired | Acquire office furniture | 60 chairs purchased |
| | | % completion rate. | Construction of masonry shed | 100% completion |
| | Enhancing ICT infrastructure. | Number of automated business processes | Maintain and upgrade ERP System. | Optimum ERP System installed. |
| | | % level of network segmentations upgraded | Network upgrade and segmentation | 70% completion |
| | | Number computers purchased | Acquire and provide desktops and laptops for training. | 7 desktops and 7 laptops purchased. |
| Research and innovations | To undertake research and innovation that supports training and sustainable development | Research and innovation policy, and tool in place | Develop a research and innovation policy, and trainers research capacity assessment tool | Research and innovations policy and assessment tool I place. |
| | | Sponsor staff and trainees to participate in conferences and workshops, congresses, exhibitions for capacity building | No. of staff and trainees participating | TVET Fair Not held in the Financial Year. |

Wanga Technical and Vocational College

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

| | | | | |
|-------------------------|------------------------------------|---|--|---|
| | | No. of research and innovations proposals /Abstracts received | Call for research and innovations proposals from staff and trainees. | 30 research and innovations proposals received. |
| | | Identified research and innovations proposals for funding | Evaluate research and innovations proposals received | 10 research proposals ready for funding. |
| Trainee wellbeing | To enhance trainee welfare. | Revised constitution in place | Provide support for review of trainees' council constitution | Revised constitution in place |
| | | No. of student leaders inducted | Induct/build capacity of elected leaders | 8 leaders inducted. |
| Organizational Capacity | To increase operational efficiency | Business process review report | Undertake business process review | BPR Report in place. |
| | | No. of operational policies and procedure reviewed | Review operational policies and procedures | 11 policies developed and reviewed. |
| | | No. of staff trained | Train staff on use of ICT systems | 30 staff trained. |
| | To increase WTVC funding | IGAs policy in place | Develop and implement an IGAs policy | Policy developed. |
| | | IGAs assessment report | Undertake an assessment of the current income generating activities (IGAs) | Assessment report in place. |
| | To promote corporate governance | Approved charter | Develop Board charter | Done |
| | | ERM framework in place | Develop an Enterprise Risk Management (ERM) framework | Risk management policy developed. |

8. Corporate Governance Statement

a) Introduction

Wanga Technical and vocational college is committed to upholding high standards of corporate governance, ensuring transparency, accountability, and integrity in all its operations. This statement outlines the governance framework, processes, and practices that guide the Board of Governors (the Board) in discharging its duties.

b) Board Meetings and Attendance

The Board held several meetings during the financial year. Attendance by each member was as follows:

| S/NO. | NAME | POSITION | FULL BOARD | SPECIAL | FIGP | ERHR | ARM |
|-------|------------------------|-------------|------------|---------|------|------|-----|
| 1. | Dr. Timothy Akali | Board Chair | 4 | | | | |
| 2. | Gov. Andrew Ng'eno | Member | 3 | 4 | 4 | 4 | |
| 3. | Gov. Hellen Akalapatan | Member | 4 | 2 | | 4 | |
| 4. | Prof. Kelvin Omieno | Member | 4 | 4 | 4 | 4 | |
| 5. | Gov. Caleb Miyawa | Member | 4 | 1 | | | 4 |
| 6. | Gov. Samuel Waweru | Member | 4 | 1 | | | 4 |
| 7. | Gov. Bilha Shitsinzi | Member | 4 | 1 | | | 4 |
| 8. | Mr. Joseph Sunguti | Member | 2 | 2 | 2 | | |
| 9. | Mrs. Grace Opwora | Secretary | 4 | 4 | 4 | 4 | |

The high level of attendance reflects the commitment of the Board members to their governance responsibilities.

c) Succession Planning

Wanga TVC has a robust succession plan in place to ensure the continuity of leadership and governance. The succession plan identifies potential internal and external candidates for key roles, focusing on skills, experience, and leadership capabilities. The plan is reviewed annually by the Board to ensure it aligns with the strategic objectives of the Institute.

d) Board Charter

The Board operates under a formal Board Charter that outlines its roles, responsibilities, and procedures. The Charter serves as a guide for effective governance, ensuring that the

Board acts in the best interest of Wanga TVC and its stakeholders. The Charter is reviewed periodically and updated as necessary to reflect best practices and regulatory requirements.

a) Appointment and Removal of Board Members

The process for appointing and removing Board members is governed by article 15 of the TVET Act 2013. Board members are appointed based on their expertise, experience, and commitment to the values and objectives of Wanga TVC. Removal of a member may occur due to non-performance, conflict of interest, or any other valid reason as stipulated in the governing documents. The Board has established a transparent and fair process for these actions, ensuring decisions are made in the best interest of the college.

Roles and Functions of the Board

The primary roles of the Board include:

- i. Strategic Oversight: Setting the strategic direction of the college and ensuring alignment with its mission and vision.
- ii. Financial Stewardship: Overseeing the financial performance and ensuring the Institute's resources are used efficiently.
- iii. Policy Development: Formulating and approving key policies that govern the operations of college.
- iv. Risk Management: Identifying and mitigating risks that could affect the college's ability to achieve its objectives.
- v. Compliance: Ensuring adherence to all relevant laws, regulations, and standards.

b) Induction and Training

All new Board members undergo a comprehensive induction program that familiarizes them with Wanga TVC's operations, governance framework, and their roles and responsibilities. Continuous professional development is encouraged, with members attending relevant training sessions and workshops throughout the year to enhance their skills and knowledge.

c) Board and Member Performance

The Board conducts an annual evaluation of its performance, as well as the performance of individual members. This process is designed to assess the effectiveness of the Board in fulfilling its governance responsibilities and to identify areas for improvement. Feedback from the evaluation informs the Board's development plans for the following year.

d) Conflict of Interest

Board members are required to disclose any potential or actual conflicts of interest. A conflict-of-interest register is maintained and reviewed regularly to ensure that any conflicts are appropriately managed. Members are expected to excuse themselves from discussions or decisions where a conflict of interest may arise.

e) Board Remuneration

The chairman of the Board receives monthly honoraria. Other board members receive remuneration in accordance with the guidelines set by the inauguration minute of Min 13/B.O.G/2022. The remuneration is designed to reflect the responsibilities of the role while ensuring that it does not compromise the independence and objectivity of the members.

f) Ethics and Conduct

Wanga TVC is committed to maintaining high ethical standards in all its activities. The Board has adopted a Code of Conduct that sets out the ethical principles and standards of behaviour expected of all members. Compliance with the Code is mandatory, and any breaches are dealt with in accordance with the college's disciplinary procedures.

g) Governance Audit

Regular governance reviews is conducted to assess the effectiveness of the Board's governance practices. The reviews ensure that Wanga TVC adheres to best practices in corporate governance, with recommendations for further improvement being actively considered by the Board.

In conclusion, Wanga TVC remains committed to continuous improvement in its governance practices, ensuring that the Board continues to provide effective leadership and oversight in achieving the college's strategic objectives.

9. Management Discussion and Analysis

The college's operational and financial performance

The college complied with the following statutory requirements among others: TVET Act 2013, PFM Act 2012, Public Audit Act 2015, PSC Act 2017. Furthermore, the college complied with remittance of statutory deductions which include; NSSF, PAYE, SHIF, Housing Levy etc. The remittance was made on time and that there are no pending arrears.

The college has faced challenges in finances arising from student's fees arrears, delay in Government funding through capitation grants and scholarship. This financial challenge has impacted negatively the operations of the college-(the college struggles to meet its short-term obligations such as payment of employees' salaries, financing local travels etc.).

The college also faces shortage of Public Service (PSC) trainers. Currently the number of PSC trainers now stands at 20 while B.O.G trainers are 37. Non-teaching staff employees are currently 19.

College's compliance with statutory requirements

The college has been compliant to the following statutes and has contributed as per its provisions as follows:

1. SHIF
2. NSSF
3. Income Tax

Other statutes that the college has complied with are:

- Public Finance Management Act 2012
- Public Procurement and Disposal Act 2015
- Mwongozo
- CDAC
- TVET ACT
- KNQA

Key projects and investment decisions the college is planning/implementing.

There were no projects/plans to be carried in this financial year.

Major risks facing the college

However, the college is facing some risk emanating from;

- i. Cut back of development grants
- ii. Poor payment of fees by the trainees
- iii. Poverty levels in the prospective trainees back ground.
- iv. Limited alternative sources of funds
- v. Shortage of training infrastructure
- vi. Insufficient Trainers

Material arrears in statutory/financial obligations

Wanga Technical and Vocational did not have any material arrears in statutory/financial obligations in the financial year under review.

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

The college's financial probity and serious governance issues

The College did not have any major financial improbity reported during the financial under review.

10.Environmental And Sustainability Reporting Statement

Wanga Technical and Vocational College exists to transform lives. This is our purpose and the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on five pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

Sustainability strategy and profile

In the effort of the institution to provide quality Technical training, the Senior management has put in place mechanisms to ensure that the college has modern and adequate training equipment's and tools.

The government started supporting the college in paying part of the fees of the trainees in the form of capitation and Scholarship though missing on some quarters and some students not benefiting but it has greatly assisted trainees from poor backgrounds. The Higher Education Loans Board is also offering loans and bursaries to those trainees who cannot afford to pay their fees.

The CDF on the other hand provides bursaries for some trainees hence enabling them to complete their trainings.

Challenges in sustainability of our programmes include Insufficient funds due to the failure of the government to fully send the government capitation for all the students, Few trainers by Public service hence forcing the institution to employ trainers on Board thus increasing the wage bill, huge amounts of fees arrears arising from many students coming from needy families.

Environmental performance

The College organizes for tree planting activities and general cleaning of the nearby market centres 'to conserve the environment involving the community. During the financial year under review, the college participated in tree planting activities.

The challenges we are facing is finding seeds for nursery management and particularly the indigenous trees, space for planting seedlings and high demand for free seedlings.

Employee welfare

The College adheres to the OSHA 2007 Act to ensure that employee's welfare is catered for accordingly. We have firefighting extinguishers in place to ensure safety should there be any fire risks.

Market place practices-

Responsible Competition Practice

- Wanga Technical and Vocational College respects its sister Colleges offering similar courses. It collaborates with them to ensure provision of high quality training services to trainees.
 - Integrity is one of the core values of Wanga TVC, corruption practices are prohibited. A committee to check on any occurrences has been created. It reports its findings to the Principal for more action in case of any corruption cases.
- (b) The Supply Chain office is manned by qualified officer who ensure compliance with procurement regulations. Procurement of goods and services are through open bidding/tendering system. Successful suppliers are paid on time - within 90 days.
- (c) Our goods and services are advertised through trusted channels – College website, through posters and social media e.g. WhatsApp groups and Facebook. Accurate and reliable information is communicated to allow users make informed decisions.
- (d) Product Stewardship.

Our trainees are attended to by qualified trainers. They have the right to be trained, change course, advance, and transfer to other colleges, sit for examinations when ready, go for attachment to areas of their choice.

Through their representatives, the College management is able to attend to their concerns.

Corporate Social Responsibility / Community Engagements

The following activities form part of evidence of the College community engagements:

- (a) Giving priority to local community in employment as long as the applicants meet the required qualifications.
- (b) Engaging in tree planting activities with the local community.
- (c) Providing courses that meet the needs of the local community with their qualifications like Artisan and Certificate course and NITA courses which are short courses.
- (d) Training the community members on cabro and blocks making using our block making machine.

11. Report of the Board of Governors

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

Principal activities

The principal activity of Wanga Technical and vocational college is to provide technical and vocational training, preparing individuals for the workforce and equipping them with the skills and knowledge needed for various sectors of the economy.

Results

The results of the College for the year ended June 30 are set out on page 1-4

Board of Governors

Members of the Board who served during the year are shown on page vi-viii. During the year none of Board of Governors retired resigned and none was appointed.

Auditors

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

By Order of the Board

Grace O. Wang
.....
Secretary of the Board

PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P.O. Box 78-50106, SHILAGA
DATE: 27/8/25 SIGN: 
JANUARY
2025

12. Statement of Board of Governors Responsibilities

Section 83 of the Public Finance Management Act, 2012 and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - require the Board members to prepare financial statements in respect of that college, which give a true and fair view of the state of affairs of the college at the end of the financial period and the operating results of the college for that period. The Board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The Board members are also responsible for safeguarding the assets of the college.

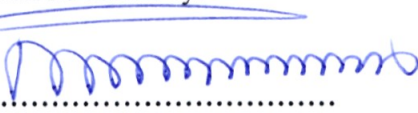
The Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year ended **30th June, 2025**. This responsibility includes: (i) maintaining adequate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


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

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

Approval of the financial statements

The College's financial statements were approved by the Board on 27/8/2025 2025 and signed on its behalf by:


.....
Dr. Timothy Akali (PhD)
Chairperson of the Board


.....
Mrs. Grace Opwora
Accounting Officer/Principal

PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P.O. Box 18-50106, SHARDA
27/8/2025

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 WANGA 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 Wanga 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 Wanga 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. Inaccuracy of the Statement of Cash Flows

The statement of cash flows reflects Nil cash outflows from investing activities in respect of purchase of property, plant and equipment and intangible assets. However, Note 19 to the financial statements under property, plant and equipment reflects additions during the year of Kshs.11,007,500, resulting to unexplained variance of Kshs.11,007,500. Further, the statement reflects net cash flows from operating activities of Kshs.5,169,483. However, the amount has not been analyzed by way of a Note to the financial statements as required by the reporting template.

In the circumstances, the accuracy and completeness of the statement of cash flows for the year ended 30 June, 2025 could not be confirmed.

2. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects a balance of Kshs.80,416,698 in respect of current portion of receivables from exchange transactions as disclosed under Note 17(a) to the financial statements. Included in this, are student debtors totalling Kshs.80,295,198. Ageing analysis disclosed in Note 17(c) indicates that out of the total receivables from exchange balance of Kshs.80,416,898, a total of Kshs.71,612,272 had been outstanding for more than one year and Management did not demonstrate efforts made to recover the debts.

In the circumstances, the accuracy, completeness and recoverability of the current portion of receivables from exchange transactions balance of Kshs.80,416,698 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Wanga 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.63,002,172 and Kshs.37,643,019 respectively, resulting to an under-funding of Kshs.25,447,153 or 40% of the budget. Similarly, the College spent a total of Kshs.33,364,075 against a budget of Kshs.69,150,823 resulting to an under-expenditure of Kshs.35,786,748 or 52% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under Report on Financial Statements, Emphasis of Matter and Report on Lawfulness and Effectiveness in the Use of Public Resources as detailed in **Appendix I**. However, Management had not resolved the issues and no satisfactory explanation was provided for the delay in resolving the issues.

Other Information

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

In connection with my audit on the College's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, 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-Compliance with Law on Accreditation and Licensing of Trainers

Review of staffing records revealed that the College had fifty-six (56) trainers as at 30 June, 2025. However, only twenty-three (23) trainer licenses were provided for audit review, contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 which requires that any person who intends to become a trainer in an institution shall apply for licensing and registration by the Board in accordance with the provisions of this Act.

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

2. Non-Compliance with Law on Staff Ethnic Diversity

Review of staff list as at 30 June, 2025 revealed that out of the total number of staff fifty six (56), a total of forty nine (49) or 88% were from one dominant ethnic community, contrary to the provisions of the National Cohesion and Integration Act, 2008, Section 7 (1) and (2) which state that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community

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

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. Weaknesses in Information Communication Technology (ICT) Internal Controls Environment

Review of records provided for audit revealed that the College had thirty-nine (39) computers. However, Management did not provide evidence for audit review indicating that Microsoft Office and Windows operating system installed were genuine. Further, the College did not have data backup mechanism and the network infrastructure was not protected by firewall.

In the circumstances, the College did not have effective ICT internal controls and security mechanisms and may suffer loss in case of a disaster.

2. Lack of Reviews of Internal Audit Function

The internal audit unit had not undergone an external quality assessment of its effectiveness, as required by Regulation 166(3) of the Public Finance Management (National Government) Regulations, 2015, which requires that the review be conducted at least once every three (3) years, and not exceeding a five-year interval, by a professional body or institution. Notably, no such assessment has been undertaken since the inception of the College.

Further, there was no evidence provided for audit indicating that the audit committee carried out annual review of the independence, performance and competence of the internal audit unit and comment on their effectiveness in the annual report as mandated by Regulation 166(2) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the effectiveness of internal audit function could not be confirmed.

3. Lack of Fraud Reporting Mechanism/ Whistle Blowing

Interview with the Head of Internal Audit and verification of the Internal Audit records revealed that the College currently operates without an approved fraud policy. Further, there is no whistle blowing mechanism.

In the circumstances, the College did not have an effective internal control mechanism for reporting fraud or irregularities.

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

Responsibilities of the Management and Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

Appendix 1 – Unresolved Prior Year Matters

| Reference No. of the Auditor-General's Report | Title of Audit Issue |
|---|--|
| | Report on the Financial Statements |
| 1 | Incorrect Opening balances |
| 2 | Inaccuracy of the Statement of Changes in Net Assets |
| 3 | Inaccuracy of the Statement of Cash Flows |
| | Emphasis of Matter |
| | Budgetary Control and Performance |
| | Report on Lawfulness and Effectiveness in the Use of Public Resources |
| 1 | Anomalies in Presentation and Disclosure of Annual Report and Financial statements |
| 2 | Noncompliance with Law and Ethnic Diversity |
| 3 | Failure to Undertake Board Performance Evaluation |

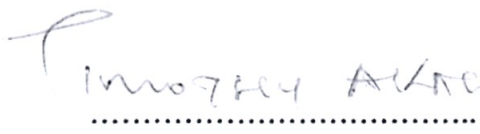
Wanga Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

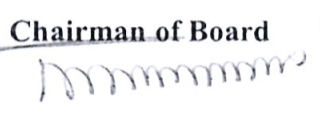
14. Statement of Financial Performance For The Year Ended 30 June 2025

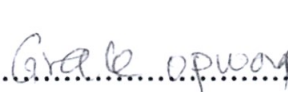
| | Notes | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|-------|---------------------------------------|---------------------------------------|
| | | Kshs | Kshs |
| Revenue from Non-Exchange transactions | | | |
| Transfers from other National Government entities | 6 | 9,933,150 | 10,609,186 |
| Grants from donors and development partners | - | - | - |
| Transfers from other levels of government | - | - | - |
| Public contributions and donations | - | - | - |
| | | 9,933,150 | 10,609,186 |
| Revenue from Exchange transactions | | | |
| Rendering of services- fees from students | 7a | 36,187,362 | 44,171,587 |
| Sale of goods | 8 | 117,433 | 226,880 |
| Rental revenue from facilities and equipment | 9 | 88,000 | |
| Revenue from Exchange transactions | | 36,392,795 | |
| Total Revenue | | 46,325,945 | 44,398,467 |
| Expenses | | | |
| Use of goods and services | 10a | 28,160,361 | 20,983,299 |
| Employee costs | 11 | 7,459,496 | 7,006,457 |
| Board Expenses | 12 | 1,495,487 | 1,216,654 |
| Depreciation and amortization expense | 13 | 7,025,865 | 2,001,899 |
| Repairs and maintenance | 14 | 1,852,619 | 2,569,284 |
| Total Expenses | | 45,993,828 | 33,814,200 |
| Other Gains/(Losses) | | | |
| Gain on sale of assets | - | | |
| Gain/ Loss on fair value of investments | - | | |
| Impairment loss | - | | |
| Total Other Gains/(Losses) | | | |
| Net surplus/(deficit) for the year | | 332,117 | 10,584,267 |


(The notes set out on pages 6 to 44 form an integral part of the Annual Financial Statements).


The Financial Statements set out on pages 1 to 4 were signed by:



Chairman of Board

Date
 27/08/2025



Principal

Date 27/8/25



Finance Officer
ICPAK No/21211
Date 27/8/2025

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

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

| Description | Notes | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|-------|--|--|
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 16 | 2,260,725 | 6,514,392 |
| Current portion of receivables from exchange transactions | 17(a) | 80,416,698 | 20,842,738 |
| Inventories | 18 | 159,385 | 152,878 |
| Total Current Assets | | 82,836,808 | 27,510,008 |
| Non-Current Assets | | | |
| Property, plant, and equipment | 19 | 127,564,492 | 61,053,639 |
| Total Non-Current Assets | | 127,564,492 | 61,053,639 |
| Total Assets (A) | | 210,401,300 | 88,563,647 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables from exchange transactions | 20 | 5,722,566 | 1,259,569 |
| Refundable deposits from customers | 21 | 139,000 | 134,000 |
| Fees prepayments | 23 | 890,539 | 341,171 |
| Total Current Liabilities | | 6,752,105 | 1,741,740 |
| Non-Current Liabilities | | | |
| Total non-current liabilities | | | |
| Total Liabilities (B) | | 6,752,105 | 1,734,740 |
| Net Assets (A-B) | | 203,649,195 | 86,828,907 |
| Represented By: | | | |
| Revaluation Reserves | | 8,275,780 | |
| Accumulated Surplus | | 67,839,683 | 67,507,566 |
| Capital Fund | | 127,533,732 | 58,546,279 |
| Net Assets | | 203,649,195 | 126,053,845 |

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

Timothy Akaci
.....
Chairman of the Board
mmmmmmmm
Date 27/08/2025

Grace Opwara
.....
Principal
PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P.O. Box 78 - 50106, SHIMBA
Date 27/8/25 SIGN: *[Signature]*

[Signature]
.....
Finance Officer
ICPAK No 21211
Date 27/8/2025

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

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

| Description | Revaluati on reserve | Accumulated Fund | Capital Fund | Total |
|--|----------------------------|---------------------|--------------------|--------------------|
| At 1st July 2023 | | 56,923,299 | 58,546,279 | 115,469,578 |
| Revaluation gain | | | | |
| Surplus/deficit for the year | | 10,584,267 | | 10,584,267 |
| Capital grants received during the year | | | | |
| Transfer of depreciation/amortisation from capital fund to Retained earnings | | | | |
| At June 30, 2024 | | 67,507,566 | 58,546,279 | 126,053,845 |
| At 1st July, 2024 | | 67,507,566 | 58,546,279 | 126,053,845 |
| Revaluation gain | | | 69,061,453 | 69,061,453 |
| Surplus/deficit for the year | | 332,117 | | 332,117 |
| Capital grants received during the year | | | | |
| Transfer of depreciation/amortisation from capital fund to Retained earnings | | | | |
| At June 30, 2025 | | 67,839,683 | 127,607,732 | 195,447,415 |
| | | | | |

Wanga 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 | Note | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|------|--|--|
| | | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from other National Government entities | 6 | 9,933,150 | 10,609,186 |
| Transfers from other levels of government | | | |
| Rendering of services- fees from students | 7b | 27,504,436 | 23,328,849 |
| Sale of goods | 8 | 117,433 | 226,880 |
| Rental revenue from facilities and equipment(hire of school bus) | 9 | 88,000 | |
| Fees paid in advance | 23 | 890,539 | |
| Miscellaneous income | | | |
| Total Receipts | | 38,533,558 | 34,165,915 |
| Payments | | | |
| Use of goods and services | 10b | 22,556,473 | 20,064,901 |
| Employee costs | 11 | 7,459,496 | 7,006,457 |
| Board Expenses | 12 | 1,495,487 | 1,216,654 |
| Repairs and maintenance | 14 | 1,852,619 | 2,569,284 |
| Finance cost | | | 36,607 |
| Total Payments | | 33,364,075 | 30,893,903 |
| Net Cash Flows from operating activities | | 5,169,483 | 3,272,012 |
| Cash flows from investing activities | | | |
| Purchase of property, plant, equipment and intangible assets | | | |
| Proceeds from sale of property, plant and equipment | | | |
| Net cash flows used in investing activities | | | |
| Cash flows from financing activities | | | |
| Proceeds From Borrowing | | | |
| Repayment Of Borrowings | | | |
| Net cash flows used in financing activities | | | |
| Net Increase/(Decrease) in Cash and Cash equivalents | | (4,253,666.91) | 3,830,770 |
| Cash and Cash equivalents at 1 JULY 2024 | 16 | 6,514,392.00 | 2,683,622 |
| Cash and Cash equivalents at 30 JUNE 2025 | 16 | 2,260,725.09 | 6,514,392 |

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

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

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 | % |
| | a | b | c=(a+b) | d | e=(c-d) | f=d/c*100 |
| Receipts | | | | | | |
| Transfers from other National Government entities | 12,360,000 | | 12,360,000 | 9,933,150 | 2,426,850 | 80.4% |
| Grants from donors and development partners | | | | | | |
| Transfers from other levels of government | | | | | | |
| Public contributions and donations | | | | | | |
| Rendering of services- fees from students | 50,392,172 | | 50,392,172 | 27,504,436 | 22,887,736 | 54.6% |
| Sale of goods | 250,000 | | 250,000 | 117,433 | 132,567 | 46.9% |
| Rental revenue from facilities and equipment | | | | 88,000 | 0 | 0% |
| Finance income | | | | | | |
| Miscellaneous Income | | | | | | |
| Total Receipts | 63,002,172 | | 63,002,172 | 37,643,019 | 25,447,153 | 59.7% |
| Payments | | | | | | |
| Use of goods and services | 35,258,324 | 7,560,591 | 42,818,915 | 22,556,473 | 20,262,442 | 47.3 |
| Employee costs | 21,373,908 | | 21,373,908 | 7,459,496 | 13,914,412 | 34.9% |
| Board Expenses | 2,933,000 | | 2,933,000 | 1,495,487 | 1,437,513 | 51.0% |
| Repairs and maintenance | 2,025,000 | | 2,025,000 | 1,852,619 | 172,381 | 91.5% |
| Grants and subsidies | | | | | | |
| Total Expenditure Payments | 61,590,232 | 7,560,591 | 69,150,823 | 33,364,075 | 35,786,748 | 48.2% |
| Capital Expenditure Payments | 12,360,000 | | 12,360,000 | 11,007,500 | 1,352,500 | 10.9% |
| Surplus | 1,411,940 | | (6,148,651) | 4, 278,944 | | |

19. Notes to the Financial Statements

1. General Information

Wanga Technical and vocational college is established by and derives its authority and accountability from TVET Act 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to provide technical and vocational education and training, preparing individuals for the workforce and equipping them with the skills and knowledge needed for various sectors of the economy.

2. Statement of Compliance and Basis of Preparation

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

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3 Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

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

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

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

| Standard | Effective date and impact: |
|--|---|
| IPSAS 43: Leases | <i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an College. 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. |

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| | |
|--|--|
| <p>IPSAS 46: Measurement</p> | <p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47: Revenue</p> | <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 College shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> |
| <p>IPSAS 48: Transfer Expenses</p> | <p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> |
| <p>IPSAS 49: Retirement Benefit Plans</p> | <p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> |
| <p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p> | <p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> |

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| | |
|--|--|
| | <ul style="list-style-type: none">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.iii. Disclosures that identify and explain the amounts in the College's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. |
|--|--|

iii. Early adoption of standards

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

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 College 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 College recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

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.

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Rental income

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

b. Budget information

The original budget for FY 2024/2025 was approved by the Board on *13th January 2025*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals to conclude the final budget. Accordingly, the College recorded additional appropriations of *Kes. 7,560,591* on the FY 2024/2025 budget following the Council/ Board's approval. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

ii. Taxes

Sales tax/ Value Added Tax

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

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

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

iii. Investment property

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

iv. 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 College 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.

v. Leases

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

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all the risks and benefits incidental to ownership of the leased item to the College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

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.

vi. Biological Assets

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

vii. Research and development costs

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

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benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

viii. Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The College does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one College and a financial liability or equity instrument of another College. At initial recognition, the College measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Classification

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

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ix. 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.

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

x. Provisions

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

Contingent liabilities

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

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Contingent assets

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

xi. 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 *College* 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 *College* will incur in fulfilling the present obligations represented by the liability.

Nature and purpose of reserves

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

xii. Changes in accounting policies and estimates

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

xiii. Employee benefits

Retirement benefit plans

The *college* provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an *College* pays fixed contributions into a separate *College* (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

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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.

xiv. Foreign currency transactions

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

xv. 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.

xvi. Related parties

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

r. Service concession arrangements

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

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xvii. 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.

xviii. Comparative figures

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

xix. Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

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Useful lives and residual values

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

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

Provisions

Provisions 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.

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6. Transfers from other National Government entities

| Description | Year ended 30th June 2025 | Year ended 30th June 2024 |
|--|---|---|
| | Kshs | Kshs |
| Unconditional Grants | | |
| Capitation Grants | | |
| Quarter 1 | 2,471,725 | 1,977,500 |
| Quarter 2 | 7,461,425 | 2,789,500 |
| Quarter 3 | | 3,188,000 |
| Quarter 4 | | 1,670,425 |
| Development grants | | |
| Operational grants | | |
| Quarter 1 | | 500,000 |
| Quarter 2 | | 483,761 |
| | | |
| Total unconditional Grants | 9,933,150 | 10,609,186 |
| 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 | 9,933,150 | 10,609,186 |

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7.a. Rendering of Services

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|--|--|
| | Kshs | Kshs |
| Tuition Fees | 11,915,641 | 23,084,482 |
| Activity Fees | 1,605,324 | |
| Industrial Attachment Fees | 276,020 | 318,100 |
| Examination Fees | 1,350,110 | 2,359,576 |
| Library Fees | 20,685 | |
| Administration fee | 8,769,926 | 8,031,460 |
| Electricity, water and conservancy | 1,399,142 | |
| Personal emoluments | 5,259,351 | 5,196,298 |
| R.M.I | 1,164,135 | 500 |
| Admission Fees | 89,500 | 161,000 |
| Student I.D | 87,000 | 124,900 |
| Student union fees | 329,450 | 245,500 |
| Medical and insurance | 715,280 | |
| Local transport and travelling | 2,357,675 | |
| Practical fees | 323,200 | |
| Development fee | 65,250 | |
| TVETA fees | 86,000 | 137,600 |
| KUCCPS | 368,675 | 432,500 |
| Fees arrears collected | | 3,738,500 |
| Oral examination fee | 5,000 | |
| Total Revenue from Rendering of Services | 36,187,362 | 44,171,587 |

Rendering of service is fees received from trainees in various vote heads as shown above.

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7b. Rendering of Services

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|--|--|
| | Kshs | Kshs |
| Tuition Fees | 11,915,641 | 23,084,482 |
| Activity Fees | 1,605,324 | |
| Industrial Attachment Fees | 276,020 | 318,100 |
| Examination Fees | 1,350,110 | 2,359,576 |
| Library Fees | 20,685 | |
| Administration fee | 87,000 | 8,031,460 |
| Electricity, water and conservancy | 1,399,142 | |
| Personal emoluments | 5,259,351 | 5,196,298 |
| R.M.I | 1,164,135 | 500 |
| Admission Fees | 89,500 | 161,000 |
| Student I. D | 87,000 | 124,900 |
| Student union fees | 329,450 | 245,500 |
| Medical and insurance | 715,280 | |
| Local transport and travelling | 2,357,675 | |
| Practical fees | 323,200 | |
| Development fee | 65,250 | |
| TVETA fees | 86,000 | 137,600 |
| KUCCPS | 368,675 | 432,500 |
| Fees arrears collected | | 3,738,500 |
| Oral examination fee | 5,000 | |
| Total Revenue from The Rendering of Services | 27,504,436 | 44,171,587 |

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

8.Sale of Goods

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---|--|--|
| | Kshs | Kshs |
| | | |
| Sale of Books | | |
| Sale of Publications | | |
| Sale of Farm Produce | 7,650 | |
| Cafeteria sales | 109,783 | 10,810 |
| Other sales (sale of cabros) | | 216,070 |
| Total Revenue from Sale of Goods | 117,433 | 226,880 |

9.Rental revenue from facilities and equipment

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|--|--|
| | Kshs | Kshs |
| Hire of Facilities and Equipment (Hire of Bus) | 88,000 | 0 |
| Contingent Rentals | | |
| Operating Lease Revenue | | |
| Others | | |
| Total | 88,000 | 0 |

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

10.a. Use of Goods and Services

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Teaching and learning materials(Tuition) | 13,413,846 | 5,968,646 |
| Industrial attachment costs | 97,745 | 163,218 |
| Electricity water and conservancy | 327,120 | 193,806 |
| Bus expense | 180,745 | |
| Administrative expense | 4,775,651 | 9,495,908 |
| Local Transport and Travelling (L.T.T) | 797,265 | 783,413 |
| Medical expense | 9,700 | 4,350 |
| Student council expense | 110,850 | 234,630 |
| Examination fees | 2,477,886 | 2,274,770 |
| Activity (Games and Sports) | 625,200 | |
| KATTI Registration | 207,000 | |
| Staff training, Travelling and accommodation | 4,160,600 | |
| Tender expenses | 6,770 | 13,960 |
| Monthly airtime (Telephone expenses) | 307,600 | |
| TVETA expenses | 566,500 | |
| Student I.D | | 93,750 |
| KUCCPS | | 199,500 |
| Production unit expenses | | 95,600 |
| Accommodation expenses | | 157,800 |
| Accrued expenses | | 918,398 |
| Bank Charges | 95,883 | |
| Total use of goods and services | 28,160,361 | 20,983,299 |

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

10.b.Use of Goods and Services

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Teaching and learning materials(Tuition) | 7,809,958 | 5,968,646 |
| Industrial attachment costs | 97,745 | 163,218 |
| Electricity water and conservancy | 327,120 | 193,806 |
| Bus expense | 180,745 | |
| Administrative expense | 4,775,651 | 9,495,908 |
| Local Transport and Travelling (L.T.T) | 797,265 | 783,413 |
| Medical expense | 9,700 | 4,350 |
| Student council expense | 110,850 | 234,630 |
| Examination fees | 2,477,886 | 2,274,770 |
| Activity (Games and Sports) | 625,200 | |
| KATTI Registration | 207,000 | |
| Staff training, Travelling and accommodation | 4,160,600 | |
| Tender expenses | 6,770 | 13,960 |
| Monthly airtime (Telephone expenses) | 307,600 | |
| TVETA expenses | 566,500 | |
| Student I.D | | 93,750 |
| KUCCPS | | 199,500 |
| Production unit expenses | | 95,600 |
| Accommodation expenses | | 157,800 |
| Accrued expenses | | 918,398 |
| Bank Charges | 95,883 | |
| Total use of goods and services | 22,556,473 | 20,983,299 |

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

11. Employee Costs

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|--|--|
| | Kshs | Kshs |
| Salaries and wages | 5,914,035 | 7,006,457 |
| Employee related costs - contributions to pensions and medical aids(Housing Levy) | 105,518 | |
| Travel, motor car, accommodation, subsistence and other allowances | 425,500 | |
| Housing benefits and allowances | 643,000 | |
| Leave allowance | 43,000 | |
| Social contributions(N.S.S.F) | 275,643 | |
| Salary advance | 52,800 | |
| Employee Costs | 7,459,496 | 7,006,457 |

12. Board Expenses

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|------------------------------|--|--|
| | Kshs | Kshs |
| Chairman's Honoraria | | |
| Directors Emoluments | 1,495,487 | 1,216,654 |
| Other Allowances | | |
| Other Board/Council Expenses | | |
| Total | 1,495,487 | 1,216,654 |

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

13. Depreciation and Amortization expense

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Property, plant and equipment | 7,025,865 | 2,001,889 |
| Intangible assets | | |
| Investment property carried at cost | | |
| Total depreciation and amortization | 7,025,865 | 2,001,889 |

14. Repairs and Maintenance

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Property | 1,852,619 | 2,569,284 |
| Investment property – earning rentals | | |
| Equipment and machinery | | |
| Vehicles | | |
| Furniture and fittings | | |
| Computers and accessories | | |
| Total Repairs and Maintenance | 1,852,619 | 2,569,284 |

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

15. Finance Costs

| Description | Year ended 30 th June 2025 | Year ended 30 th June June 2024 |
|---|--|---|
| | Kshs | Kshs |
| Borrowings (Amortized Cost)* | - | - |
| Finance Leases (Amortized Cost) | - | - |
| Interest on Bank Overdrafts | - | - |
| Interest on Loans from Commercial Banks | - | - |
| Others (Bank charges) | | 36,607 |
| Total Finance Costs | | 36,607.00 |

16. Cash and Cash Equivalents

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|--|--|
| | Kshs | Kshs |
| Current Account | 2,259,905 | 6,460,935.00 |
| On - Call Deposits | 0 | 0 |
| Fixed Deposits Account | 0 | 0 |
| Staff Car Loan/ Mortgage | 0 | 0 |
| Others (Specify) cash at hand | 820.00 | 53,457.00 |
| Total Cash and Cash Equivalents | 2,260,725 | 6,514,392.00 |

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

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

| Financial Institution | Account number | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|------------------------------------|----------------|--|--|
| | | Kshs | Kshs |
| a) Current Account | | | |
| Kenya Commercial Bank | 1269736981 | 8,779.50 | 5,463,626.00 |
| | 1269737082 | 980539.69 | 125,748.00 |
| | 1269737066 | 1270585.90 | 871,561.00 |
| Sub- Total | | 2,259,905.09 | 6,460,935.00 |
| b) On - Call Deposits | | | |
| Kenya Commercial Bank | | 0 | 0 |
| Equity Bank – etc. | | 0 | 0 |
| Sub- Total | | 0 | 0 |
| c) Fixed Deposits Account | | | |
| Kenya Commercial Bank | | 0 | 0 |
| Sub- Total | | 0 | 0 |
| d) Staff Car Loan/ Mortgage | | | |
| Kenya Commercial Bank | | 0 | 0 |
| Sub- Total | | 0 | 0 |
| e) Others(Specify) | | | |
| Cash in Transit | | - | 0 |
| Cash in Hand | | 820.00 | 53,457.00 |
| Mobile Money account | | 0 | 0 |
| Sub- Total | | 820.00 | 53,457.00 |
| Grand Total | | 2,260,725 | 6,514,392.00 |

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

17.Receivables from Exchange transactions

17 (a) Current Receivables from Exchange transactions

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|----------------------------------|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Current Receivables | | |
| Student Debtors | 80,295,198 | 20,842,738 |
| Rent Debtors | | |
| Salary advance | 52,800 | |
| Staff imprest | 68,700 | |
| Less: Impairment Allowance | | |
| Total Current Receivables | 80,416,698 | 20,842,738 |

17 (b) Current Receivables from Exchange transactions

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Current Receivables | | |
| Student Debtors Financial 2024/2025 | 8,682,926 | 20,842,738 |
| Rent Debtors | | |
| Salary advance | 52,800 | |
| Staff imprest | 68,700 | |
| Less: Impairment Allowance | | |
| Total Current Receivables | 8,804,426 | 20,842,738 |

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

17(c) Ageing Analysis of Receivables from Exchange transactions

| Description | Year ended 30 th June 2025 | | Year ended 30 th June 2024 | |
|--------------------|---------------------------------------|----------------|---------------------------------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | 8,804,426 | 11% | 20,842,738 | 100% |
| Between 1- 2 years | 39,658,711 | 49% | | |
| Between 2-3 years | 20,781,197 | 26% | | |
| Over 3 years | 11,172,364 | 14% | | |
| Total (a+b) | 80,416,698 | 100% | | 100% |

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

18. Inventories

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|--|---------------------------------------|---------------------------------------|
| | Kshs | Kshs |
| Consumable stores | 59,670 | 104,880 |
| Maintenance stores | | |
| Health Unit stores | | |
| Electrical stores | | |
| Cleaning Materials stores | 95,296 | 21,420 |
| Catering stores | 4,419 | 26,578 |
| Less: Impairment allowance | | |
| Total Inventories at lower of Cost and Net Realizable Value | 159,385 | 152,878 |

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

19. Property, Plant and Equipment

| Cost | Land | Buildings | Motor vehicles | Furniture and fittings | Computers | Plant and equipment | Capital Work in progress | Total |
|--|------------|------------|----------------|------------------------|-----------|---------------------|--------------------------|-------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Depreciation Rate | | 2% | | 10% | 25% | 12.5% | | |
| As At 1 July 2023 | 3,600,000 | 56,751,621 | | 2,761,255 | 1,703,704 | 2,773,017 | | 67,589,597 |
| Additions | | | | | | | | |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Accumulated as at 30th June 2023. | | 2,247,364 | | 763,188 | 763,579 | 760,205 | | 4,534,336 |
| Depreciation for the year ended June 2024 | - | 1,090,085 | - | 299,651 | 310,241 | 301,922 | | 2,001,899 |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - | - | - |
| Accumulated as at 30th June 2024 | - | 3,337,449 | - | 1,062,839 | 1,073,820 | 1,062,127 | - | 6,536,235 |
| Net Book Values | | | | | | | | |
| At 30th Jun 2024 | 3,600,000 | 53,414,449 | | 1,698,416 | 629,884 | 1,710,890 | - | 61,053,639 |
| Revaluation | 24,058,480 | 63,692,750 | | 3,140,392 | 1,207,700 | 38,019,770 | - | 130,119,092 |
| Revaluation Gain | 20,454,480 | 10,278,301 | | 1,441,976 | 577,816 | 36,308,880 | - | 69,061,453 |
| Additions | | | 8,800,000 | 692,000 | 999,500 | 516,000 | - | 11,007,500 |
| Cost as at 30th June 2025 | 24,058,480 | 63,692,750 | 8,800,000 | 3,832,392 | 2,207,200 | 38,535,770 | - | 141,126,592 |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - | - | - |
| Depreciation for the year as at 30 th June 2025. | - | 1,273,855 | - | 383,239 | 551,800 | 4,816,971 | - | 7,025,865 |
| Accumulated Depreciation as at 30th June 2025. | - | 4,611,304 | - | 1,446,078 | 1,625,620 | 5,879,098 | - | 13,562,100 |
| Net Book Values as At 30th June 2025. | 24,058,480 | 59,081,446 | 8,800,000 | 2,386,314 | 581,580 | 32,656,672 | - | 127,564,492 |

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

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 Morowi Company Limited professional valuers on 23/7/2024. These amounts were adopted in the financial statements on 30th June 2025.

19 (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:

| Description | Cost | Accumulated Depreciation | NBV |
|---|--------------------|--------------------------|--------------------|
| | Kshs | Kshs | Kshs |
| Land | 24,058,480 | - | 24,058,480 |
| Buildings | 63,692,750 | 4,611,304 | 59,081,446 |
| Plant And Machinery | 38,535,770 | 5,879,098 | 32,656,672 |
| Motor Vehicles including Motorcycles | 8,800,000 | - | 8,800,000 |
| Computers and Related Equipment | 2,207,200 | 1,625,620 | 581,580 |
| Office Equipment, Furniture, And Fittings | 3,832,392 | 1,446,078 | 2,386,314 |
| Total | 141,126,592 | 13,562,100 | 127,564,492 |

20. Trade and Other Payables

| Description | Year ended 30 th June 2025 | | Year ended 30 th June 2024 | |
|---------------------------------------|---------------------------------------|-----------------------|---------------------------------------|-----------------------|
| | Kshs | | Kshs | |
| Trade payables | 5,603,888 | | 918,398 | |
| Direct deposits | 8,063 | | | |
| Third-Party Payments(HELB Refunds) | 67,016 | | | |
| Other Payables (Capitation) | 39,599 | | | |
| C.D.F Bursary | 4,000.00 | | | |
| Total Trade and Other Payables | 5,722,566 | | 1,259,569.00 | |
| Ageing analysis: | Current FY | % of the Total | Comparative FY | % of the Total |
| Under one year | 5,722,566 | 100% | 1,259,569.00 | 100% |
| 1-2 years | | 0% | 0% | 0% |
| 2-3 years | | 0% | 0% | 0% |
| Over 3 years | | 0% | 0% | 0% |
| Total (to tie to totals above) | 5,722,566 | 100% | 1,259,569 | 100% |

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

21. Refundable Deposits from Students

| Description | Year ended 30 th June 2025 | | Year ended 30 th June 2024 | |
|--|---|-----------------------|---|-----------------------|
| | Kshs | | Kshs | |
| Balance Brought forward | 134,000 | | | |
| Caution money | 5,000 | | 134,000 | |
| Other refundable deposits | | | | |
| Total Deposits | 139,000 | | 134,000 | |
| | | | | |
| | | | | |
| | | | | |
| Ageing analysis: | Year ended 30th June 2025 | % of the Total | Year ended 30th June 2024 | % of the Total |
| Under one year | 5,000 | 3.6 % | 134,000 | 100 % |
| 1-2 years | 134,000 | 96.4 % | | % |
| 2-3 years | | % | | % |
| Over 3 years | | % | | % |
| Total (to tie to totals deposits above) | 139,000 | 100 % | 134,000 | 100 % |

Refundable deposits include caution money received from students.

22. Employee Benefit Obligations

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

23. Payments received in advance.

| Description | Year ended 30 th June 2025 | | Year ended 30 th June 2024 | |
|--------------------------|---|-----------------------|---|-----------------------|
| | Kshs | | Kshs | |
| Fees received in advance | 890,539 | | 341,171 | |
| Others (Specify) | | | | |
| Total | 890,539 | | 341,171 | |
| | | | | |
| | Year ended 30th June 2025 | % of the Total | Year ended 30th June 2024 | % of the Total |
| Ageing analysis: | | | | |
| Under one year | 890,539 | 100% | 341,171 | 100% |
| 1-2 years | | % | | % |
| 2-3 years | | % | | % |
| Over 3 years | | % | | % |
| Total | 890,539 | 100% | 341,171 | 100% |

Financial Risk Management

The College's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The 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.

Financial risk management (continued)

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

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

(iii) Market risk

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

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

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

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

iv) Capital Risk Management

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

| Description | Year ended 30 th June 2025 | Year ended 30 th June 2024 |
|---------------------|--|--|
| | Kshs | Kshs |
| Revaluation Reserve | | |
| Retained Earnings | | |
| Capital Reserve | | |
| Total Funds | | |

24.Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

25.Events After The Reporting Period

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

26.Ultimate And Holding College

The College is a technical and Vocational College under the Ministry of Education State Department of Technical Vocational Educational Training. Its ultimate parent is the Government of Kenya.

27.Currency

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

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

| 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) | | | | | | | | | | | | | | |
|--|---|--|-----------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|---|--|
| | Examination of the financial statements revealed cases of non-compliance with the revised International Public Sector Accounting Standards (IPSAS), financial reporting template for 2023/2024 financial year. | The financial statements have been amended in accordance with the revised IPSAS template for 2023/2024 financial year. | | | | | | | | | | | | | | | | |
| | Review of the staff biodata provided for audit revealed that, out of the 43 staff members, 41 (or 95%) belong to the dominant local ethnic community, which is contrary to the provisions of Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that no public establishment shall have more than one-third of its staff from a single ethnic community, as demonstrated in the table below: <table border="1" data-bbox="459 1082 967 1289"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table> | | | | | | | | | | | | | | | | ise for job opportunities as the college the other ethnic groups doesn't apply for the long list and short list for the positions advertised during the financial year. | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | During the audit exercise the management was not aware that the trainers' licenses are | | | | | | | | | | | | | | | | |

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

| | | | | |
|--|--|---|--|--|
| | | in the trainers' files but it's not that the college trainers don't have the licenses, the | | |
| | | | | |
| | The statement of financial position shows refundable deposits balance of Kshs. Nil with a comparative balance of Kshs. 134,000. However, Management has not made a disclosure and provided supporting documents in relation to refund of Kshs. 134,000 to its customers during the year. | The amended Financial Statement shows the balance of Kshs. 134,000 which was part of the refundable deposits for the previous audited report that had not been refunded back so it still exists in the financial year under review. | | |
| | | The management is not in agreement with the above findings since its confirmed the said documents were provided during the exercise find the attached documents. | | |

Signed :.....

Mrs. Grace Opwora

Accounting Officer
(Wanga Technical and Vocational College)

Date -----

PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P.O. Box 78 - 50106, SHANGA
 DATE 27/6/25 SIGN 

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

Appendix II: Projects Implemented by The 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 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 | N/A | N/A | N/A | N/A | N/A | N/A |

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 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 3 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

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Appendix III- Inter-College Confirmation Letter

Name of transferring College.....

Name of beneficiary College.....

| Confirmation of amounts received by [Wanga Technical and Vocational college as at 30 th June 2025 | | | | | |
|--|----------------|---------------|-----------------|-----------------|---------|
| Reference Number | Date Disbursed | Recurrent (A) | Development (B) | Total (C)=(A+B) | Remarks |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

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

Head of Accounts Department - Disbursing College:
 Name Sign Date

Head of Accounts Department - Beneficiary College:
 Name Sign Date.....

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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 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | | | | | | |

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