

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	
DATE: 05 MAR 2026	DAY: Thursday
TABLED BY: Hon Owen Bora, mp	Deputy leader of Majority Party
CLERK-AT-THE-TABLE: A. Shibusko	

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THE AUDITOR-GENERAL

ON

GARSEN TECHNICAL AND VOCATIONAL COLLEGE

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

TANA RIVER COUNTY





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Garsen Technical and Vocational College

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

Table of Contents

1.	Acronyms and Definition of Key Terms.....	ii
2.	Key Entity Information and Management.....	iii
3.	The Council/Board of Governors.....	vi
4.	Key Management Team	xi
5.	CHAIRMAN'S STATEMENT.....	xiv
6.	REPORT OF THE PRINCIPAL	xv
7.	Statement of Performance against Predetermined Objectives	xvii
8.	Corporate Governance Statement.....	xviii
9.	Management Discussion and Analysis	xix
10.	Environmental and Sustainability Reporting Statement	xx
11.	Report of the Council/Board of Governors	xxi
12.	Statement of Board of Governors/ Council's Responsibilities	xxii
13.	Report of the Auditor General on the financial statements of Garsen Technical and Vocational College for the year ended 30 th June 2025.....	xxiii
14.	Statement of Financial Performance for The Year Ended 30 June 2025.....	1
15.	Statement of Financial Position as at 30 th June 2025.....	2
16.	Statement of Changes in Net Asset for The Year Ended 30 June 2025	3
17.	Statement of Cash Flows for The Year Ended 30 June 2025.....	4
18.	Statement of Comparison of Budget & Actual amounts for Year Ended 30 th June 2025.....	5
19.	Notes to the Financial Statements	6
20.	Appendices	44

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

1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVET	Technical and Vocational Education and Training
TVETA	Technical & Vocational Education Training Authority
KNEC	Kenya National Examination Council
GTVC	Garsen Technical & Vocational College
KSG	Kenya School of Government
MOE	Ministry of Education
CDACC	Curriculum Development and Certification Council

B. Definition of Key Terms

Fiduciary Management – Key Management personnel who have financial responsibility in the entity for the period under review.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Garsen Technical and Vocational College is a government Technical and Vocational Education and Training (TVET) institution established under the TVET Act 2013 in the year 2017. It is located in Shirikisho ward, Tana Delta Sub-County of Tana River County at about 3km west of Minjila trading centre next to the Tana Delta Deputy County Commissioner's office. It is duly registered by the Technical and Vocational Education and Training Authority (TVETA) under the registration number TVETA/PUBLIC/RC/0061/2017. The college offers technical and business courses at Artisan, Certificate and Diploma levels, all of which are examined by the Kenya National Examinations Council (KNEC) and Curriculum Development and Certification Council (CDACC). The goal of such courses is to increase access to technical and business training to the Kenyan youths. The college currently has a population of 150 trainees distributed in six admitting departments, that is, Building and Civil Engineering, Electrical and Electronics, Computing and Informatics, Liberal Studies, Cosmetology and Beauty Therapy and Automotive and Mechanical Engineering. It has a staff population of 18 trainers engaged under public service commission and 1 under the BOG Terms.

(b) Principal Activities

The principal activity is to offer technical training and business courses aimed at increasing technical and business skills to Kenyan youths.

(c) Key Management

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

- Board of Governors
- Principal/ Accounting officer
- Deputy Principal
- Head of finance
- Registrar

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

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Mr. Haji Mwachirimira
2.	Deputy Principal	Mr. Robert Mwanyamba Fondo
3.	Head of Finance	Mr. John Baraka Kalu
4.	Ag. Registrar	Mr. Michael Wang'ombeNyanjui
5.	Head of Building Department	Mr. Herbert Ogeda Odhiambo
6.	Head of ICT Department	Ms. Celestine Nasimiyu Watti

Key Entity Information and Management (Continued)

(e) Entity Bankers

Kenya Commercial Bank
Garsen – branch
P.O. Box 54-80201
Garsen , Kenya.
Account no: 1275580645

(f) Entity Headquarters

P.O. Box 155 - 80201
Chinese Campsite
Off Mombasa Garisa Road
Garisa, Kenya.

(g) Entity Contacts

Telephone: (254) 724 -411-008
E-mail: garseninstitute@gmail.com
Website: www.garisentvc.ac.ke


(h) Independent Auditors

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



(i) Principal Legal Adviser

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



3.The Council/Board of Governors

SN.	Member/ Director	Details
1.	 <p>Eng. Mwaka Mungatana : Chairman:-</p> <ol style="list-style-type: none"> 1. Board of Governance 2. Executive Committee 	<p>Age 59years: 16th October 1964</p> <ul style="list-style-type: none"> - MBA. Chain Management - BSC. Mechanical Engineering- Nairobi University - A PhD. B/ADMN student currently <p style="text-align: center;">Work experience</p> <ul style="list-style-type: none"> - August 2001 to date Chief Technical & Environmental Officer Tsavo Power company - 2022 April to date: Chairman Institution of Engineers of Kenya (Coast Branch) - 2012-2022: Secretary Institution of Engineers of Kenya (Coast Branch) - Council Member Kibabii University September 2018 to date &currently chairman Finance, strategy and development committee. - BOG chairman Ngao Girls Secondary School 2007 to 2019 (National School) - Was Chairman of the Audit Monitoring and Evaluation Committee within the board of TARDA <p>Between 2003 and 2005 he was chairman of the finance and planning committee TARDA.</p>



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

<p>2.</p>	 <p>Ms. Mwanahamisi HaduloJilo</p> <p>BOG Member & Chairperson: Governance, Human Resource & Management Committee</p>	<p>Age 37 years:1986</p> <ul style="list-style-type: none"> - She did a Diploma in Business Administration at Mombasa Polytechnic University College. - She then studied Bachelor of Business Management at the Mount Kenya University. <p>Work experience</p> <ul style="list-style-type: none"> - 2019-Present: Conservancy manager with Lower Tana Delta Conservation Trust. - 2017: Human Rights monitor with the Kenya National Commission on Human Rights - 2011-2016: Field monitor with Kenya Red Cross Society.
<p>3.</p>	 <p>Mr. Makopa Omar Mwakanyenze</p> <p>BOG Member</p>	<p>Age 43 years:23rd March 1980</p> <ul style="list-style-type: none"> - He studied BSc. in Foods, Nutrition & Dietetics from Egerton University - Currently pursuing Masters in Foods, Nutrition & Dietetics at Kenyatta University. <p>Work experience</p> <ul style="list-style-type: none"> - 2013- Present: County Nutrition Coordinator in Tana River County. <p>2008- 2013: Nutritionist at the Coast Province General Hospital.</p>


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

<p>4.</p>	 <p>Kulmie Adhan Bashir BOG Member</p>	<p>33 Years: 12th March 1990</p> <ul style="list-style-type: none"> - Bachelor of Business and Information Technology (BIT) <p>Work Experience</p> <ul style="list-style-type: none"> - Office Administrator-Bit & Lubes Co. Installing and configuring computer hardware systems - ICT Officer- IEBC - Configuring and maintaining Bvr Kits
<p>5.</p>	 <p>Nyera Mango Sibagaya BOG Member & Chairman: Risk & Audit Committee</p>	<p>Age 59 years: 24th August 1964</p> <ul style="list-style-type: none"> - Master's degree in Science in Commerce (MSc-Finance and Investment Option) KCA University, - Bachelor of Commerce (Accounting Option) Degree. -KCA - Diploma in Technical Education (Business Education). - Certified Public Accountant of Kenya (CPAK) - Certified Public Secretary (CPS) - Certified Investment and Financial Analyst (CIFA) Part II On Going <p>Work Experience</p> <ul style="list-style-type: none"> - September 2013 to-date (Certified Public Accountant) Practicing Accountant. - SIBA & Associates - Managing Partner in Siba and Associates- in charge of operations - Audit assurance services, accounting services and tax consultancy assignments\ - May 2002 to February 2007: AACkenya (formerly-AbdulwahidAboo and company) Certified Public Accountant



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

<p>6.</p>	 <p>Engineer Najash Hafidh BOG Member</p>	<p>Age: 56 years: 1st January 1967</p> <ul style="list-style-type: none"> - BSc. in Civil Engineering from Jomo Kenyatta University of Agriculture & Technology (JKUAT) - Higher National Diploma in Water Engineering from Kenya Polytechnic - Diploma in Technical Education- Building & Civil Engineering – KTTC - Diploma in Water Technology <p>Work experience</p> <ul style="list-style-type: none"> - Principal Engineering Technologist National Museums of Kenya - Supervisor – European Union Building restoration Project, Old Town, Mombasa - Head of Production Unit & Income Generating activities - Joinery Trainer at the UNDP/ILO/KEN/90/021 Project <p>Building Supervisor at Coast Builders – Mombasa</p>
<p>7.</p>	 <p>Ms. Amina Galgalo Omar BOG Member</p>	<p>Age 31 years: 23/12/1991</p> <ul style="list-style-type: none"> - Ongoing MSc. In Project Planning and Management - BSc. In Food Science and Nutrition from University of Eldoret <p>Work experience</p> <ul style="list-style-type: none"> - 2022- Present: Programmes Officer at Church World Service, Tana River County. - 2019-2021: Field Officer at Pastoralist Girls Initiative. - 2018-2019: Emergency Response Officer at Welthungerhilfe. - 2018: Medical Emergency Volunteer at Kenya Red Cross Society in Tana Delta, Tana River County.




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

8.	 <p>Haji Mwachirimira Principal /Secretary to the Board</p>	<p>Age 55 years: 02/02/1968</p> <ul style="list-style-type: none"> - Bachelor of Technology Civil Engineering - Diploma Technical Education Building & Civil Engineering - Ordinary Diploma Building - Senior Management Course (KSG) <p>Work experience</p> <ul style="list-style-type: none"> - 30 years Teaching experience - 2019-Present: Principal, Garsen TVC - 2009-2019 HOD Building Department Coast Institute of Technology-Voi - 1997-2003 Exams & maintenance officer Coast Institute of Technology
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4. Key Management Team

SN.	Member/ Director	Details
1.	 <p>Haji Mwachirimira Principal /Secretary to the Board</p>	<p>Age 55 years: 02/02/1968</p> <ul style="list-style-type: none"> - Bachelor of Technology Civil Engineering - Diploma Technical Education Building & Civil Engineering - Ordinary Diploma Building - Senior Management Course (KSG) <p>Work experience</p> <ul style="list-style-type: none"> - 30 years Teaching experience - 2019-Present: Principal, Garsen TVC - 2009-2019 HOD Building Dept Coast Institute of Technology-Voi - 1997-2003 Exams & maintenance officer Coast Institute of Technology - He is the Principal
2.	 <p>Robert Mwanyamba Fondo Deputy Principal</p>	<p>Age 31 years: 04/10/1992</p> <ul style="list-style-type: none"> - Bachelor of Science in Construction Management - Diploma in Technical Trainer Education (Building & Civil Engineering) <p>Work experience</p> <ul style="list-style-type: none"> - 3 years working/teaching experience - 1 year as Ag. Deputy Principal-He is the Deputy Principal

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

3.	 <p>Mr John Baraka Kalu Head of Finance</p>	<ul style="list-style-type: none"> - Age 33 years: 30/08/1991 - CPA Advance Level On-Going - Bachelor of Commerce (B. Com) undergraduate student at Pwani University - Certified Public Accountancy Part I & II Certification from Star Institute of Professional and Visions Institute of Professional Studies - Accounting Technician Certificate Level I and II <p>Work experience</p> <ul style="list-style-type: none"> - 6 years working as Finance officer Godoma Technical Training Institute - Assistant accountant at Eri Kenya Ltd Jivaco Agencies Limited
4.	 <p>Michael Nyanjui Wang'ombe Ag. Registrar</p>	<p>Age 31 years: 27/04/1992</p> <ul style="list-style-type: none"> - Bachelor of Technology Civil Engineering-Ongoing - Diploma in Civil Engineering - Diploma Technical Education Building & Civil Engineering <p>Work experience</p> <ul style="list-style-type: none"> - 3 years working/teaching experience - He is the Ag. Registrar
5.	 <p>Herbert Ogeda Odhiambo HOD-Building & Civil Engineering Department</p>	<p>Age 44 years: 09/09/1979</p> <ul style="list-style-type: none"> - Bachelor of Technology Civil Engineering-Ongoing - Diploma in Civil Engineering - Diploma Technical Education Building & Civil Engineering <p>Work experience</p> <ul style="list-style-type: none"> - 3 years working/teaching experience - He is the HOD-Building & Civil Engineering Department

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

6.	 <p>Celestine Nasimiyu Watti HOD-Computer Studies Department</p>	<p>Age 28 years: 07/01/1995</p> <ul style="list-style-type: none"> - Bachelor of Science in Computer Science - Diploma in Technical Teacher Education <p>Work experience</p> <ul style="list-style-type: none"> - 3 years working/teaching experience - She is the HOD-Computer Studies Department
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5. CHAIRMAN'S STATEMENT

Garsen Technical and Vocational College was established to provide adequate and relevant knowledge and skills to its trainees to enable them to contribute towards the attainment of our country's vision 2030 strategic objectives and supporting the drive in realizing the objectives of the National Government Big Four agenda. In furtherance of our mandate therefore, we have committed ourselves to consistently and regularly review, improve and consolidate academic programs in several ways that will ensure their competitiveness in terms of quality and relevance. The sources of funding for the college at the end of this period i.e. 30th June 2025, was student's capitation amounting to Kshs 1,169,425 and appropriation in aid amounting to Kshs. 2,904,865. The college realized an aggregate income of Kshs. 6,234,452 in revenue during the period ended 30th June 2025. The recurrent expenditure totalled Kshs 4,545,953. The college closed the year with a surplus of Kshs 3,883,490.

The college requires a lot of support from the National Government and other stakeholders in terms of funding, material support and other contributions.

We shall continue to appeal for such support for several years to come. On behalf of the college, I take this opportunity to thank the national government for its support. I also appreciate the management team, staff members and our trainees for their cooperation during this period. I wish to register my gratitude to them all.

I look forward to their continued support in the new financial year and the subsequent periods ahead.



Eng. Mwaka Mungatana

BOG Chairman

Date: 30/11/2025

6. REPORT OF THE PRINCIPAL

Dear Stake holders,

Garsen Technical and Vocational College has continued to position itself as the leading technical training institution in the County. It is in the final stage of coming up with its 2022-2026 Strategic plan. The strategic plan is being prepared on the basis of the vision 2030 and other strategic priorities of the government as outlined in the Constitution of Kenya 2010.

The institute's core values of transparency and accountability, integrity and honesty, teamwork, innovation and creativity, excellence and meritocracy, customer satisfaction and social responsibility have played a great role in realizing the institute's dream of impacting technological skills and knowledge for self-reliance.

Operational and Financial Performance

The institute continues to deliver on its key mandate to providing quality training in technical, vocational and entrepreneurship skills for sustainable development. This financial year recorded a surplus of Kshs 7,724,817 which was occasioned by the receipt of capitation grants and good fees collection from students.

Compliance with Statutory Requirements

During the period under review, the institute defaulted with some of its statutory obligations including non-compliance with Public Procurement Regulations, remittance of PAYE, NHIF and NSSF within the stipulated deadlines. The institute has contingent liabilities arising from non-compliance with statutory obligations.

Major Risks and Challenges Facing the Institution

Garsen Technical and Vocational College continues to face pressure on existing resources due to inadequate learning infrastructure exacerbated by the increasing student enrolment. The teachers and non-teaching staff to student ratio remain low. Budgetary constraints have contributed to lack of development projects.

Future Outlook

We are looking forward to harness the ISO 9001:2005 certification and strategic plan (2022 - 2026) to guide the institute's future developments, improve service delivery and achieve set goals and objectives. We also anticipate an increase in student enrolment, attain adequate staffing levels and improve learning infrastructure. Our ultimate objective is to acquire polytechnic status.

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

REPORT OF THE PRINCIPAL (continued)

Conclusion

During the year under review, the institute has introduced several new initiatives and measures to make its services more efficient and accessible. I take this opportunity to thank our stakeholders for their continued support and partnership in the realization of our mandate.

I commend the Board, Management and staff for their tireless efforts and commitment to the attainment of Garsen Technical and Vocational College set targets. I am truly honoured to serve alongside them as we endeavour to redefine the role played by Garsen Technical and Vocational College and drive the institute towards the realization of its strategic goals and objectives.

On behalf of Board, Management, Staff and Students, I would like to appreciate the support accorded to Garsen Technical and Vocational College by the GOK through The National Treasury & the Ministry of Education, State Department for Vocational and Technical Training. We look forward to your continued support.



Mr. Haji Mwachirimira

Principal/Secretary BOG

Date: 30/6/2025.....

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

7. Statement of Performance against Predetermined Objectives

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

Garsen Technical and Vocational College has 5 strategic pillars and objectives within its Strategic Plan for the FY2022-2026. These strategic pillars are as follows:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	Corporate image	To enhance the institute's corporate image	No. of CSR activities undertaken Visits to the institute's website	Increase CSR initiatives Continuous marketing activities	Improved college outlook
Pillar 2:	Financial sustainability	To increase financial sustainability	Financial audit reports Revenue turnover trends	Enhance internal controls and audits	Minimized risks of financial mismanagement
Pillar 3:	Training and learning	To improve training and learning	Number of new/ modern training and learning techniques introduced	Number of new/ modern training and learning techniques introduced	Increased enrolment Increased revenue
Pillar 4:	Human resource capacity	To improve the institute's Human Resource Capacity	Number of staff trained Number of workshops and seminars held	Sponsor staff for training	Improved knowledge and technical skills
Pillar 5:	ICT integration	To fully Integrate ICT in the institute	Number of ICT equipment purchased	Purchase additional ICT equipment for the institute	Enhanced learning and service delivery

8. Corporate Governance Statement

Garsen Technical and Vocational College is committed to the values and principles of good corporate governance as an integral part of corporate culture and guides the manner in which its Governors, management, staff and students conduct the business of the organisation. As a public-sector organization dedicated to providing quality service to its stake holders, the Institution decisions are guided by the core tenets prescribed in the public Officers Ethics Act, The leadership and Integrity Act, The Authorities Code of Conduct, corporate Governance Guidelines Board and Board Committee Charters. The Institution endeavours to develop, strengthen and sustain the trust that the Government, employees, students and public has placed in it. The board is committed to regularly evaluate national and international emerging standards in responsible, transparent and efficient management with a view of enhancing corporate governance at the Institution and consistently deliver on its statutory mandate.

Role of the Board of Governors

The primary function of the Board of Governors ‘(The Board) is to provide effective strategic leadership and direction to enhance the long-term achievement of Garsen Technical and Vocational College strategic plan. The strategic plan overall objective is to enhance the achievement of the institute’s objectives on priority basis and in line with the policies of the Ministry of Education (MOE), the Vision 2030 and the Big 4 Agenda of the government.

The Board Size, Composition and Independence

The Board consists of 7 Governors. The Board composition draws a good mix of skills, experience and proficiencies in various fields. The Governors’ biographies are shown on pages’ iv to vi.

Board Remunerations

The non-executive Board members are paid sitting allowances for every meeting attended. Governor’s fees are paid to non-executive Board members who are not representing any Government institution.



Mr. Haji Mwachirimira

Principal/Secretary BOG

Date: 30/6/2025.....

9. Management Discussion and Analysis

Garsen Technical and Vocational College has continued to position itself as the leading technical training institution in the County. In its Strategic plan 2025-2029. The strategic plan is being prepared on the basis of the vision 2030 and other strategic priorities of the government as outlined in the Constitution of Kenya 2010.

The institute's core values of transparency and accountability, integrity and honesty, teamwork, innovation and creativity, excellence and meritocracy, customer satisfaction and social responsibility have played a great role in realizing the institute's dream of impacting technological skills and knowledge for self-reliance.

The institute continues to deliver on its key mandate to providing quality training in technical, vocational and entrepreneurship skills for sustainable development. During the period under review, the institute complied with all its statutory obligations including compliance with Public Procurement Regulations, remittance of PAYE, NHIF and NSSF within the stipulated deadlines. The institute does not foresee any potential for contingent liabilities arising from non-compliance with statutory obligations.

Garsen Technical and Vocational College continues to face pressure on existing resources due to inadequate learning infrastructure exacerbated by the increasing student enrolment. The teachers and non-teaching staff to student ratio remain low. Budgetary constraints have contributed to lack of development projects.

We are looking forward to harness the ISO 9001:2005 certification and strategic plan (2025 - 2029) to guide the institute's future developments, improve service delivery and achieve set goals and objectives. We also anticipate an increase in student enrolment, attain adequate staffing levels and improve learning infrastructure. Our ultimate objective is to acquire polytechnic status.

During the year under review, the institute has introduced several new initiatives and measures to make its services more efficient and accessible. I take this opportunity to thank our stakeholders for their continued support and partnership in the realization of our mandate.

10. Environmental and Sustainability Reporting Statement

In line with its mission and values, Garsen Technical and Vocational College is sensitive to the impact of our activities on our students, employees, partners and other stakeholders, as well as on the community and its environment.

The College is committed to the maintenance of principled standards, respect and accountability across all its activities; these include and not limited to the following;

- Treating employees with fairness and respect, support staff development through allowing its staff to attend trainings and workshops, volunteering in community, county and national government activities
- The student council has a budget on community day where students visit trading centers' around Minjila and in Garsen, they also participate in cleaning and tree planting in Minjila trading centre town during environmental days.
- Our students mostly reside at the college, others at Minjila and other areas Minjila trading centre. This has boasted local investors who have rental houses and food eateries and other small and medium enterprises.

The College shall continue to collaborate with all stakeholders on issues that benefit the development of the country, growth of industries as well as giving back to the society. Garsen Technical and Vocational College therefore shall continue to play its crucial role towards attainment of vision 2030 and the "Big Four Agenda as spelt out clearly in the Government priority areas under the social, political and economic pillar.

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

11. Report of the Council/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 Garsen Technical and Vocational College affairs.

Principal activities

The principal activity is to offer technical and business courses geared towards increasing technical and business skills to Kenyan Youths.

Results

The results of the entity for the year ended June 30, 2025 are set out on pages 1 to 28

Board of governors

The members of the Board who served during the year are shown on page iv, v and vi.

Auditors

The Auditor General is responsible for the statutory audit of the Garsen Technical and Vocational College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



.....
Secretary of the Board/Council

Nairobi

Date: 30th / 2025

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

12. Statement of Board of Governors/ Council's Responsibilities

Section 81 of the Public Finance Management Act, 2012, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act 2013 require the board of governors to prepare financial statements in respect of Garsen Technical and Vocational College, which give a true and fair view of the state of affairs of the college at the end of the financial year/period and the operating results of the Garsen Technical and Vocational College for that year/period. Board of governors is also required to ensure that the college has proper accounting records which disclose with reasonable accuracy the financial position of the college. The Board of governors is also responsible for safeguarding the assets of the Garsen Technical and Vocational College.

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

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

Nothing has come to the attention of the Board of Governors to indicate that Garsen Technical and Vocational 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 Garsen Technical and Vocational College financial statements were approved by the Board on 30th June 2025 and signed on its behalf by:

.....
Name: Eng. Mwaka Mungatana
Chairperson of the Board

.....
Name: Hajj Mwachirimira
Accounting Officer/Principal

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 GARSEN TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025 – TANA RIVER COUNTY

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 Garsen Technical and Vocational College – Tana River County set out on pages 1 to 45, 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 Garsen Technical and Vocational College – Tana River County 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 (TVET) Act No. 29 of 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Employees Cost

The statement of financial performance reflects expenditure on employee costs totalling Kshs.794,438. However, the payroll indicating staff name, ID No, job description, gross pay and statutory deductions was not provided for audit.

In the circumstances, the accuracy and completeness of the expenditure on employee costs totalling Kshs.794,438 could not be confirmed.

2. Inaccuracies in Expenditure Amount

The statement of cashflows reflects total payments of Kshs.2,715,560 whereas the statement of budget and actual amounts reflects Kshs.5,620,425 resulting to unreconciled variance of Kshs.2,904,865.

In the circumstances, the accuracy and completeness of the total expenditure could not be confirmed.

3. Inaccuracies in the Financial Statements

The financial statements reflect amounts in twelve (12) items that were either not supported or had unexplained variances with the supporting schedules as detailed below:

Particulars	Financial Statement Amount (Kshs)	Supporting Schedule Amount (Kshs)	Unexplained Variance (Kshs)
Revenue from Non-Exchange Transactions	4,074,290	3,575,900	498,390
Rendering of services – fees from students	4,322,253		4,322,253
Use of Goods and Services	1,721,672	1,757,772	36,100

Particulars	Financial Statement Amount (Kshs)	Supporting Schedule Amount (Kshs)	Unexplained Variance (Kshs)
Board/Council Expenses	40,000	162,680	122,680
Depreciation and Amortization Expenses	1,786,834	-	1,786,834
Finance Costs	43,559	-	43,559
Cash and Cash Equivalents	524,749	-	524,749
Current Portion of Receivables from Exchange Transactions	3,832,429	-	3,832,429
Inventories	100,000	184,311	84,311
Long Term Receivables from Exchange Transactions	4,846,148	-	4,846,148
Property, Plant and Equipment	54,796,257	-	54,796,257
Intangible Assets	1,350,000	-	1,350,000

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

4. Inaccuracies in Receivables from Exchange Transactions Balance

The statement of financial position reflects receivables from exchange transactions balance of Kshs.8,678,577 which includes current portion balance of Kshs.3,832,429 and long-term balance of Kshs.4,846,148. However, Note 18 to the financial statements reflects a balance of Kshs.7,862,362 out of which Kshs.2,439,870 relates to current portion while Kshs.5,422,492 is in respect of long-term balance. The resultant variance of Kshs.816,215 has not been explained.

In the circumstances, the accuracy, completeness and existence of receivables from exchange transactions balance of Kshs.8,678,577 could not be confirmed.

5. Inaccurate Accumulated Surplus and Net Assets Balances

The statement of financial position reflects accumulated surplus balance of Kshs.4,827,092. However, the statement of changes in net assets reflects a balance of Kshs.12,551,909 resulting to unexplained variance of Kshs.7,724,817. In addition, the statement of financial position reflects a net assets balance of Kshs.65,449,583 while the statement of changes in net assets reflects a balance of Kshs.76,664,962 resulting to unexplained variance of Kshs.11,215,379.

In the circumstances, the accuracy, completeness and existence of accumulated surplus of Kshs.4,827,092 and net assets balance of Kshs.65,449,583 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Garsen Technical and Vocational College – Tana River County 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.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on the Financial Statements, Lawfulness and Effectiveness in Use of Public Resources and Effectiveness on Internal Controls, Risk Management and Governance. Review of the status during audit of the College in 2024/2025 revealed that the following ten (10) issues remained unresolved:

No	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Unsupported Amounts in the Statement of Financial Performance
3	2023/2024	Unsupported Bank Balance
4	2023/2024	Unsupported Receivables from Exchange Transactions
5	2023/2024	Unsupported Receivables from Non-Exchange Transactions
6	2023/2024	Unsupported Inventory Balance
7	2023/2024	Unsupported Current Liabilities
8	2022/2023	Failure to comply with the Public Sector Accounting Standards Board Reporting Template
9	2022/2023	Lack Internal Audit Function and Failure to Establish Audit Committee
10	2022/2023	Lack of Ownership Documents and Unused School Building

Other Information

The Management is responsible for the Other Information set out on page iii to xxii which comprise of Key Entity Information and Management, The Council/Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Council/Board of Governors and Statement of Board of Governors/Council's 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. Lack of Land Ownership Documents

The statement of financial position reflects property, plant and equipment balance of Kshs.54,796,257 as disclosed in the recomputed Note 22 to the financial statements. As previously reported plant, property and equipment excludes the land on which the College sits. However, Management has not processed ownership documents for the land including allotment letters or title deeds. This is in breach of Regulation 139 (1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer of a National Government entity shall take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse.

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

2. Failure to comply with the Public Sector Accounting Standards Board Reporting Template

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- i. The report of the principal on page xv reflects a surplus of Kshs.7,724,817 instead of the Kshs.3,883,490 reflected in the statement of financial position.
- ii. Report of the Council/Board of Governors is indicated to be on pages iv, v and vi instead of vi to x.
- iii. The taxes information on page 10 reflects xxx instead of the relevant data.
- iv. Note 22 on property, plant and equipment does not reflect totals.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

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 effects of the matter 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

Lack Internal Audit Function and Failure to Establish Audit Committee

During the year under review, the Board of Governors had not constituted the various relevant committees of the Board including an audit committee.

This was contrary to Section 28 of the Technical and Vocational Education and Training Act, 2013 on organs of governance and which under Subsection 3 states that the membership of the organs set out under Subsection (1) and governance procedures shall be as set out in the Second Schedule.

In the circumstances, the College did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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 those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025

Garsen 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	FY 2024 2025	FY 2023 2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	2,904,865	2,000,000
Transfers from other levels of government	7	1,169,425	1,341,500
		4,074,290	3,341,500
Revenue from Exchange transactions			
Rendering of services- fees from students	8 (b)	4,322,253	5,780,534
Sale of goods	9	14,000	-
Rental revenue from facilities and equipment	10	19,000	-
		4,355,253	5,780,534
Total Revenue		8,429,443	9,122,034
Expenses			
Use of goods and services	11	1,721,672	2,374,325
Employee costs	12	794,438	1,322,790
Board /Council Expenses	13	40,000	573,600
Depreciation and amortization expense	14	1,786,834	1,786,834
Repairs and maintenance	15	159,450	80,200
Finance costs	16	43,559	43,559
		4,545,953	6,181,308
Total Expenses		4,545,953	6,181,308
Net surplus/(deficit) for the year		3,883,490	2,940,726

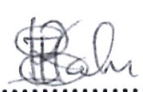
(The notes set out on pages' 7 to 52 form an integral part of the Annual Financial Statements).
The Financial Statements set out on pages 1 to 6 were signed by:


.....
Chairman of Council/Board

Date 30/6/2025


.....
Principal

Date 30/6/2025


.....
Finance Officer

ICPAK No.
Date 30/6/2025

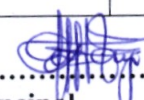
Garsen Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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


Description	Notes	FY 2024 2025	FY 2023 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	524,749	74,045
Current portion of receivables from exchange transactions	18(a)	3,832,429	2,300,600
Receivables from non-exchange transactions	19	-	880,000
Inventories	20	100,000	399,532
Prepayments	21	-	201,405
Total Current Assets		4,457,178	3,855,582
Non-Current Assets			
Long term receivables from exchange transactions	18(b)	4,846,148	8,678,577
Property, plant, and equipment	22	54,796,257	56,583,091
Intangible assets	23	1,350,000	-
Total Non-Current Assets		60,992,405	65,261,668
Total Assets (A)		65,449,583	69,117,250
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	24	-	110,339
Refundable deposits from customers	25	-	66,766
Total Current Liabilities		-	177,105
Total Liabilities (B)		-	177,105
Net Assets (A-B)		65,449,583	68,940,145
Represented By:			
Revaluation Reserves		7,529,962	7,529,962
Accumulated Surplus		4,827,092	4,827,092
Capital Fund		56,583,091	56,583,091
Net Assets		65,449,583	68,940,145



 Chairman of Council/Board



 Principal



 Finance Officer

Date 30th June 2025

Date 30th June 2025

ICPAK No
 Date 30th June 2025

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	7,529,962	1,886,366	56,583,091	65,999,419
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	2,940,726	-	2,940,726
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2024	7,529,962	4,827,092	56,583,091	68,940,145
At July 1, 2024	7,529,962	4,827,092	56,583,091	68,940,145
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	7,724,817	-	7,724,817
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(1,786,834)	-
At June 30, 2025	7,529,962	12,551,909	54,796,257	76,664,962

Note:

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

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

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

Description		FY 2024 2025	FY 2023 2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	2,904,865	2,000,000
Transfers from other levels of government	7	1,169,425	1,341,500
Rendering of services- fees from students	8(a)	8,163,480	1,929,028
Sale of goods	9	14,000	
Rental revenue from facilities and equipment	10	19,000	-
Total Receipts		12,270,770	5,270,528
Payments			
Use of goods and services	11	1,721,672	2,374,325
Employee costs	12	794,438	1,322,790
Board /Council Expenses	13	40,000	573,600
Repairs and maintenance	15	159,450	80,200
Total Payments		2,715,560	4,819,115
Net Cash Flows from operating activities	47	9,555,210	451,413
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		(-)	(0)
Net Increase/(Decrease) in Cash and Cash equivalents		450,704	25,888
Cash and Cash equivalents at 1 JULY	26	74,045	48,157
Cash and Cash equivalents at 30 JUNE	26	524,749	74,045

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

18. Statement of Comparison of Budget & Actual amounts for Year Ended 30th 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
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Transfers from other National Government entities	2,000,000	-	2,000,000	2,904,865	(904,865)	145%
Transfers from other levels of government	4,500,000	-	4,500,000	1,169,425	3,330,575	26%
Rendering of services- fees from students	11,763,350	-	11,763,350	8,196,480	3,566,870	70%
Sale of goods	22,500	-	22,500	14,000	8,500	62%
Rental revenue from facilities and equipment	20,000	-	20,000	19,000	1,000	95%
Total Receipts	13,142,500	0	13,142,500	12,303,770	838,730	94%
Payments						
Use of goods and services	3,581,500	-	3,581,500	1,721,672	1,859,828	48%
Employee costs	1,338,350	-	1,338,350	794,438	543,912	59%
Board /Council Expenses	1,487,000	-	1,487,000	40,000	1,447,000	3%
Repairs and maintenance	315,000	-	315,000	159,450	155,550	51%
Grants and subsidies	2,000,000	-	2,000,000	2,904,865	(904,865)	145%
Total Expenditure Payments	8,721,850	0	8,721,850	5,620,425	3,101,425	64%
Capital Expenditure Payments	-	0	-	-	-	-
Surplus	-	-	-	A	-	xxx%

Budget notes

1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14

19. Notes to the Financial Statements

1. General Information

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

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, 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 Garsen TVC 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. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the entity. 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.

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

3. Adoption of New and Revised Standards

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

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

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

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

Garsen Technical and Vocational College

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

	<p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>

iii. Early adoption of standards

GTVC did not early-adopt any new or amended standards in the financial year 2024/2025

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board 25th January 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity did not record additional appropriations on the FY 2024/2025 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule **xxx** of the **xxx** Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

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

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial

Garsen Technical and Vocational College

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

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. There is no critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent assets

The Entity 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 Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

m) Social Benefits

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

n) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. (Entity to state the reserves maintained and appropriate policies adopted).

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

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

t) Service concession arrangements

The Entity 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 Entity recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

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

6. Transfers from other National Government entities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	1,169,425	-
Operational Grant	2,904,425	2,000,000
Total unconditional Grants	4,074,290	2,000,000
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	4,074,290	2,000,000

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	FY 2024-2025	FY 2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	-	-	-	-	-
XX Ministry	-	-	-	-	-
Total	-	-	-	-	-

The details of the reconciliation have been included under appendix xxx

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

7. Transfers from Other Levels of Government

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transfer from MOE	2,904,865	1,341,500
Transfer from KUCCPS	1,169,425	-
Transfer from NG-CDF	-	-
Total Transfers	4,074,290	1,341,500

8. Rendering of Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Tuition Fees	2,102,383	1,310,420
Activity Fees	265,726	91,402
Examination Fees	146,100	-
Repairs Maintenance & Improvements	195,253	65,957
Personnel Emoluments	759,507	260,807
Electricity Water and Conservancy	230,085	79,971
Local Transport and Travel	233,205	79,971
Medical Insurance	116,400	40,500
Student ID	3,000	-
Registration Fee	15,455	-
Students Union	2,100	-
Regulatory Board Fees	3,000	-
KUCCPS Fees	4,500	-
Boarding Fees	50,000	-
Administrative Fees	105,000	-
Arrears	6,139	-
Development	48,300	-
Other Income	36,000	-
Total Revenue from The Rendering of Services	4,322,153	1,929,028

9. Sale of Goods

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Sale of Tenders	14,000	-
Other sales (specify)	-	-
Total Revenue from Sale of Goods	14,000	-

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

10. Rental revenue from facilities and equipment

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Hire of Facilities and Equipment	19,000	-
Others (<i>specify</i>)	-	-
Total	19,000	-

11. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Teaching and learning materials	49,250	125,150
Shows and Exhibitions	-	240,300
Local Transport and Travel	538,877	1,132,690
Electricity, Water & Conservancy	131,100	166,610
Subscriptions	71,768	158,500
Advertising and Marketing	15,000	15,000
Examination fees	294,180	-
Administration Cost	292,895	496,925
Printing and stationery	57,650	39,150
Activity Expense	30,902	-
Postage	7,800	-
Airtime Expense	13,750	-
Internet expenses	16,000	-
Training expenses	202,500	-
Other (<i>specify</i>)	-	-
Total good and services	1,721,672	2,374,325

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

12. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries and wages	794,438	1,322,790
Social contributions	-	-
Employee Costs	794,438	1,322,790

13. Board/Council Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Board/Council Expenses	40,000	573,600
Total	40,000	573,600

14. Depreciation and Amortization expense

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	1,786,834	1,786,834
Intangible assets	-	-
Total depreciation and amortization	1,786,834	1,786,834

15. Repairs and Maintenance

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property	159,450	-
Furniture and fittings	-	50,200
Computers and accessories	-	30,000
Total Repairs and Maintenance	159,450	80,200

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

16. Finance Cost

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Bank Charges	48,908	43,559
Other (specify	-	-
Total contracted services	48,908	43,559

17. Cash and Cash Equivalents

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1275580645	524,749	74,045
Total Cash and Cash Equivalent		524,749	74,045

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

18. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	2,439,870	2,300,600
Total Current Receivables	2,439,870	2,300,600

18 (b) Long- term Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Total	-	-
Current Portion Transferred To Current Receivables	5,422,492	8,678,577
Total Non-Current Receivables	-	-
Total Receivables	5,422,492	8,678,577

18 (c) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	2,439,870	31.04%	2,300,600	20.95%
Between 1- 2 years	2,711,246	34.48%	5,780,534	52.65%
Between 2-3 years	2,711,246	34.48%	2,898,043	26.40%
Over 3 years	-	%	-	%
Total (a+b)	7,862,362	100%	10,979,177	100%

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

19. Receivables from Non-Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	1,169,425	880,00
Transfers from Other Govt. entities	-	-
Total Current Receivables	1,169,425	880,000

(*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).

20. Inventories

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Consumable stores	-	-
Maintenance stores	-	-
Electrical stores	-	-
Library Books	100,000	399,532
Total Inventories at lower of Cost and Net Realizable Value	100,000	399,532

(Provide brief explanation on inventories)

21. Prepayments

Description	FY 2024-2025	FY 2023-2024
	Kshs.	Kshs.
a	-	201,405
Rent	-	-
Water	-	-
Internet	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

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

22. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2%	X%	X%	X%	X%	X%		
At 1st July 2023	-	58,369,925	-	-	-	-	-	-	58,369,925
Additions	-	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	-	-	(-)	-	(-)	(-)	(-)
Additions	-	-	-	-	-	-	-	-	-
Disposals	(-)	-	-	-	(-)	-	(-)	(-)	(-)
Transfer/Adjustments	(-)	-	-	(-)	(-)	-	(-)	-	(-)
Revaluation	-	-	-	-	-	-	-	-	-
At 30th June 2024	-	56,583,091	-	-	-	-	-	-	-
Depreciation And Impairment									
At 1 July 2023	-	(-)	(-)	(-)	(-)	-	(-)	(-)	(-)
Depreciation	-	(1,786,834)	(-)	(-)	(-)	-	(-)	-	(-)
Disposals	-	-	-	-	-	-	(-)	-	-
Impairment	-	-	-	-	(-)	-	(-)	-	(-)
At 30 Jun 2025		-	-	-	-	-	-	-	-
Depreciation	-	(1,786,834)	(-)	-	(-)	(-)	(-)	-	(-)
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	(-)	-	-	(-)	-	(-)	-	(-)
Transfer/Adjustment	-	(-)	(-)	-	(-)	-	(-)	(-)	-
At 30th Jun 2025	-	3,573,668	-	-	-	-	-	-	-
Net Book Values									
At 30th Jun 2024	-	56,583,091	-	-	-	-	-	-	-
At 30th Jun 2025	-	54,796,257	-	-	-	-	-	-	-

[Include Brief Description Of WIP As A Footer]

Garsen 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 xxx professional valuers on xxx. These amounts were adopted in the financial statements on xxx.

32 (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	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

23. Intangible Assets

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Additions–internal development	-	-
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

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

24. Trade and Other Payables

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Trade payables	-		-	
Fees paid in advance	-		-	
Salary deductions	-		-	
Third-Party Payments	-		-	
Other Payables	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	-
1-2 years	-	%	-	-
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total (to tie to totals above)	-	%	-	-

25. Refundable Deposits from Customers/Students

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Consumer deposits	-		-	
Caution money	-		-	
Other refundable deposits	-		-	
Total Deposits	-		-	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (to tie to totals deposits above)	-	%	-	%

(Provide brief explanation)

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

26. Current Provisions

Description	Leave provision	Bonus provision	Gratuity Provisions	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at The Beginning of The Year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision Utilised	(-)	(-)	(-)	(-)	(-)
Change Due To Discount And Time Value For Money	(-)	(-)	(-)	(-)	(-)
Transfers From Non -Current Provisions	-	-	-	-	-
Total Provisions	-	-	-	-	-

27. Finance Lease Obligation

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the start of the year	-	-
Discount interest on Lease Liability	-	-
Paid during the year	(-)	(-)
At end of the year	-	-

Maturity Analysis

Period	Amount
	Kshs
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and Onwards	-
Less: Unearned Interest	(-)
Total	-

Analysed as:

Description	Amount
-------------	--------

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

	Kshs
Current	-
Non- Current	-
Total	-

28. Deferred Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

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

The deferred income movement is as follows:

Description	National government	International funders/ donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	-	-	-	-
Additions during the year	-	-	-	-
Transfers to capital fund	(-)	(-)	(-)	(-)
Transfers to income statement	(-)	(-)	(-)	(-)
Other transfers	(-)	(-)	(-)	(-)
Balance carried forward	-	-	-	-

Include columns as needed for the various sources of income deferred.

Analysed as:

Description	Amount
	Kshs
Current	-
Non- Current	-
Total	-

29. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	FY 2024-2025	FY 2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

Retirement benefit Asset/ Liability

The entity operates a defined benefit scheme for all full-time employees from July 1, 20xx. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Discount Rates	x%	x%
Future Salary Increases	x%	x%
Future Pension Increases	x%	x%
Mortality (Pre- Retirement)	x%	x%
Mortality (Post- Retirement)	x%	x%
Withdrawals	xx	xx
Ill Health	xx	xx
Retirement	xx years	xx years

Recognition of Retirement Benefit Asset/ Liability

- a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (<i>specify</i>)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Re-measurement of the net defined benefit liability (asset)	-	-

- b) Amounts recognised in the Statement of Financial Position

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	(-)	(-)
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others (<i>specify</i>)	-	-
Net asset or liability arising from defined benefit obligation	-	-

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

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. XXX per employee per month. Other than NSSF the entity also has a defined contribution scheme operated by XXX Pension Fund. Employees contribute xx% while employers contribute xx% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

30. Payments received in advance.

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Fees received in advance	-		-	
Others (Specify)	-		-	
Total	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

31. Borrowings

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Balance at beginning of the year	-		-	
External borrowings during the year	-		-	
Domestic borrowings during the year	-		-	
Repayments of external borrowings during the year	(-)		(-)	
Repayments of domestic borrowings during the year	(-)		(-)	
Balance at end of the year	-		-	

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

43 a) Analysis of External and Domestic Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
External borrowings		
Dollar denominated loan from 'xx organization'	-	-
Sterling pound denominated loan from 'yyy organization'	-	-
Euro denominated loan from 'zzz organization'	-	-
Domestic borrowings	-	-
Kenya shilling loan	-	-
Total balance at end of the year	-	-

43 b) Breakdown of Long and Short-Term Borrowings

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

(NB: the total of this statement should tie to note 44 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

32. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision utilised	(-)	(-)	(-)	(-)	(-)
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	(-)	(-)	(-)	(-)	(-)
Total deferred income	-	-	-	-	-

(NB: The current portion deducted in this note should tie to line on current portion transferred from non- current provisions under note 38)

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

33. Service Concession Arrangements

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	(-)	-
Net carrying amount	-	-
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	(-)	(-)
Service concession liability at end of the year	-	-

34. Social Benefit Liabilities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
People Living with disabilities benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

Social benefit schemes include benefits such as cash transfers for unemployment or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g poverty, age, unemployment among others.

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

35. Cash generated from operations.

Surplus for the year before tax	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Adjusted for:		
Depreciation	-	-
Non-Cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment	-	-
Gains and Losses on Disposal of Assets	(-)	(-)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance Income	(-)	(-)
Finance Cost	-	-
Working Capital Adjustments		
Increase in Inventory	(-)	(-)
Increase in Receivables	(-)	(-)
Increase in Deferred Income	-	-
Increase in Payables	-	-
Increase in Payments received in advance	-	-
Net Cash Flow from Operating Activities	-	-

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

36. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2025	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

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

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 entity has significant concentration of credit risk on amounts due from xxxx

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2025				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 20XX			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities	-	-	-
Trade and Other Payables	-	-	-
Borrowings	-	-	-
	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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

Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

U	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
20xx			
Euro	10%	-	-
Usd	10%	-	-
20xx		-	-
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20XX: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20XX – Kshs xxx)

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

iv) Capital Risk Management

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revaluation Reserve	-	9,496,769
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash and Cash Equivalents)	-	-
Gearing	xx%	xx%

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

37. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from kplc	-	-
Purchase of water from govt service providers	-	-
Rent expenses paid to govt agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
b) Grants /Transfers from the Government		
Grants from National Govt	-	-
Grants from County Government	-	-
Donations in Kind	-	-
Total	-	-
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for xx Employees	-	-
Payments for Goods and Services for XX	-	-
Total		
d) Key Management Compensation		

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Directors' emoluments	40,000	573,600
Total	40,000	573,600

Events After the Reporting Period

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

38. Currency

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1	Inaccuracies in the Financial Statement	The management is committed to providing accurate financials	Resolved	
1.2	Variances between Financial Statements and Supporting Schedules	The management commits to prepare and present to the OAG accurate financials attached find the amended copy.	Resolved	
1.3	Variance between Financial Statements and the Notes	The management commits to prepare and present to the OAG accurate financials, attached find the amended copy.	Resolved	
2	Misclassified Capitation Grant	The misclassification has been rectified see attached amended set of financials	Resolved	
3	Unsupported Employees Cost	Refer to note 12 and as reported in the statement of financial performance	Resolved	
4	Unconfirmed Cash and Cash Equivalents	The balances were supported by the statement of balances from the institution banker see Annex 2	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5	unsupported Statement of Financial Position	Rectified see attached amended financial statement and updated statement of changes in Net Asset and Annex 3	Resolved	

Guidance Notes:

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

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**Name; Haji Mwachirimira
Principal/Secretary to the Board**

Date 30/11/2025