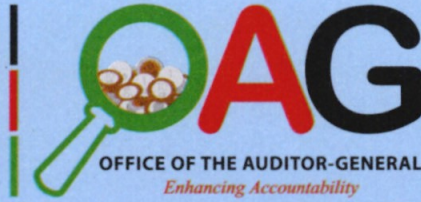



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REPORT

OF

THE AUDITOR-GENERAL

ON

KALOLENI TECHNICAL AND
VOCATIONAL COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

KILIFI COUNTY



OFFICE OF THE AUDITOR GENERAL
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KALOLENI 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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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
TTC	Teacher Training College
TTI	Technical Training Institute
TVC	Technical Vocational College

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Institute Information and Management

(a) Background information

Kaloleni Technical and Vocational College (KTVC) was established under the **Technical and Vocational Education and Training (TVET) Act No. 29 of 2013**. The institution is domiciled in Kenya, specifically located in Chenagande, Kaloleni Ward, within Kaloleni Sub-County, Kilifi County. It operates under the Ministry of Education, State Department for Technical and Vocational Training.

KTVC is a public TVET institution registered and accredited by the TVET Authority (TVETA) and listed on the Kenya Universities and Colleges Central Placement Service (KUCCPS) portal. Institutional Structure

KTVC does not currently operate satellite branches, but it serves a wide catchment area across the coastal region of Kenya due to its strategic location along the Mariakani–Mavueni Road.

❖ **Departments and Faculties**

KTVC offers a range of programs organized into the following departments:

❖ **Engineering Department**

- Mechanical Engineering (level 4 - 6)
- Electrical Installation (level 4 -6)
- Welding and Fabrication

❖ **ICT Department.**

- Computer packages
- ICT Technician (level 4- 6)

❖ **Hospitality and Fashion Department**

- Hairdressing and Beauty Therapy
- Fashion Design and Dressmaking

❖ **Construction and Artisan Training**

- Masonry (Levels 3–4)
- Metal Arc Welding

❖ **Strategic Focus**

KTVC emphasizes **Competency-Based Education and Training (CBET)**, aligning its curriculum with **Kenya’s Vision 2030** and industry demands. The institution is equipped

(b) Principal Activities

The principal activity for **Kaloleni Tvc** is to offer TVET programmes in line with industry or market needs both long term and short term basis.

Vision

- To be a regional leader in technical skills development

Mission

- To produce technically skilled manpower to meet the demands of highly industrializing economy and national development

Core values

Kaloleni Tvc is committed to the following values:

- Honesty, integrity and accountability
- Innovativeness, creativity, team work
- Team work, professionalism and flexibility

Key Institute Information and Management (Continued)

(c) Key Management

Kaloleni Tvc daily management is carried out under the following key division:

- Administration
- Finance
- Registrar
- Academic

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Priscah Nduku Munyao
2.	Deputy principal	Mr Charles Ndune Chissaga
4	Ag Registrar	Mr Eddy Eric Otiende Omondi
5	Ag Dean of students	Mr Nelson Chapa
	Head of finance	Peter Kashindo

(e) Fiduciary Oversight Arrangements

- The Board of Governors
- Audit and risk committee activities
- Finance and human Resource committee activities
- Academic committee activities

- (f) **Institute Headquarters**
P.O. Box 363-80105
Kaloleni, Giriama
- (g) **Institute Contacts**
Telephone: (254)703224134
Email:kalolenitvc@gmail.com



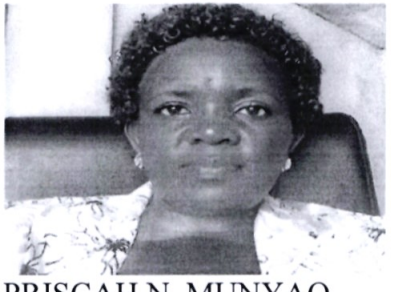

Key Institute Information and Management (Continued)

- (h) **Institute Bankers**
Kenya commercial bank
Mariakani
P.O. Box
Mariakani
- (i) **Independent Auditors**
Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya
- (j) **Principal Legal Adviser**
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya






Key Institute Information and Management (Continued)

- (k) **Principal Legal Adviser**
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3.The Council/Board of Governors





<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 LENNOXENY .K. MTENGO	<p>Mr. Lennoxeny Kaviha Mtengo</p> <p>Date of birth:01/01/1963 Lennoxeny Mtengo is the Board of Governors Chairman. He is a holder of Bachelor of Education (Arts) at UON.</p>
2.	 PETER MWANGI	<p>Mr. Peter Mwangi</p> <p>Date of Birth:24/02 1966 Peter mwangi is the County Director TVET Coast Region and by the virtues of his office he is a Board member. He is a Holder of Masters in Education with an experience of over 30 years.</p>
3.	 PRISCAH N. MUNYAO	<p>Ms Priscah Nduku Munyao</p> <p>Date of Birth:2/07/1968 Priscah Munyao is the Principal and board Secretary. She is a holder of Bachelor of Commerce (Accounting) KU and currently doing her project in MBA (Project Mgt) KU</p>
4.	 DORRIS KAVUKU	<p>Mrs. Dorris Kavuku</p> <p>Date of birth: 15/08/1956 Dorris is serving her second term holds a Bachelor of Arts Counselling at Kenya Methodist University.</p>

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE**Annual Report and Financial Statements for the year ended 30th June 2025**

5.	 VICTOR KIPLANGAT	Mr. Victor Kiplangat Date of Birth:15/06/1993 Victor is serving a second term as a member. He is a holder of Bsc. Mechanical Engineering at Technical University of Mombasa.
6.	 JULLY SENTEU	Ms. Jully Seema Senteu Date of Birth:15/09/1985 Jully is serving for the second term. She is holder of masters of Science in Limnology and Wetland Management-Netherlands. Phd in conservation Ecology ongoing.
7.	 STEPHEN VANDIKA	Mr. Stephen Mwenda Vandika Date of Birth:12/05/1984 Vandika is a holder of Bachelor of Technology in Civil Engineering at Technical University of Mombasa.
8.	 NYUNDO KATEMBO	Mr. Nyundo Katembo Date of Birth:10/05/1967 He is a holder of Bachelor of Commerce (Accounting Option) at University of Nairobi.
9.	 CHARLES NDEGWA	Mr. Charles Mwanyoha Ndegwa Date of Birth:10/08/1960 Charles Ndegwa is a holder of Master of Education in Leadership and policy at Moi University



4. Key Management Team

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Mrs. Priscah Nduku Munyao	Mrs. Priscah Munyao is a Senior Principal and BoG Secretary with 31 years' experience in technical training including 6 as principal
2.	 Mr Charles Ndune Chissaga	Mr Charles Chissaga is the Deputy Principal. He has over 30 years' experience in technical training.
3.	 Mr Eddy Omondi	Mr Eddy Omondi is the Ag Registrar
4.	 Mr. Nelson Chilumoh	Mr. Nelson Chilumo is Ag. Dean of students

5. Chairman's Statement

It is with great humility and a deep sense of purpose that I present the Annual Financial Report and Financial Statements for the Financial Year ended 30th June 2025.

This year has been a defining chapter in the growth of Kaloleni Technical and Vocational College. We recorded a remarkable increase in student enrollment, welcoming a vibrant and diverse group of learners. This surge reflects our unwavering commitment to inclusivity, academic excellence, and community empowerment. It also affirms the trust placed in us by parents, guardians, and stakeholders across the region.

Throughout the year, our focus remained on strengthening academic programs and enhancing student support services. Notable developments included:

- **Faculty Development:** Continuous professional training for our staff ensured alignment with evolving industry standards and pedagogical best practices.
- **Student Resources:** We expanded access to learning materials through the use of internet and improved classroom infrastructure to support a more engaging educational experience.
- **Road Accessibility:** A major highlight of the year was the construction of a 2.7-kilometer access road to the institution, generously facilitated by the area Member of Parliament. This development has significantly improved connectivity, safety, and accessibility for students, staff, and visitors, and has elevated the college's visibility within the region.

Challenges and Resilience

While we celebrated many achievements, we also faced challenges particularly delays in funding disbursements and resource constraints. Nonetheless, our management team remained focused and collaborative, ensuring that strategic priorities were met through prudent financial management and adaptive planning.

Looking Ahead

Our vision remains steadfast: to be a regional leader in technical skills development and a key contributor to Kenya's industrial and economic transformation. In the coming year, we aim to:

- Expand our academic offerings to meet emerging market demands.
- Strengthen industry linkages to enhance graduate employability.
- Promote inclusive access to education, especially for marginalized groups.
- Embrace digital transformation and sustainable practices across all operations.

I extend my sincere gratitude to our dedicated faculty, staff, and administration for their unwavering commitment to our mission. Their passion and professionalism continue to shape the lives of our students in meaningful ways. I also thank our students and their families for their trust and support, and acknowledge the invaluable contributions of our stakeholders including the area MP for their role in advancing our institutional goals through issuance of bursary to our students.

In closing;

I invite you to review the accompanying financial statements, which reflect our collective efforts, achievements, and aspirations. Together, we will continue to build a brighter future for Kaloleni TVC and the community we proudly serve.

Thank you.

Signature:

Mr. Lennoxeny. Kaviha. Mtengo

CHAIRMAN

Date: 03/07/2025

6. Report of the Chief/senior Principal

Introduction

As the Senior Principal of Kaloleni Technical and Vocational College (TVC), it is my privilege to present this report for the financial year ending 30th June 2025. This year has been marked by notable growth, resilience, and unwavering commitment from our entire college community. Kaloleni TVC continues to thrive as a leading institution, delivering quality technical and vocational education that meets the evolving needs of our students and the broader society.

Enrolment Growth

We recorded a significant increase in student enrolment, welcoming over **350 new students** across various programs. This growth is attributed to our strategic expansion of course offerings, improved infrastructure, and strengthened outreach and marketing efforts. The diversity within our student body continues to enrich the learning experience and reflects our mission to promote inclusivity and equal access to education.

Academic Excellence and Program Development

Our commitment to academic excellence remains steadfast. In response to industry demands, we have ongoing programs in **welding and fabrication**, and expanded our **Dual TVET initiative** in collaboration with industry partners, particularly in **mechanical engineering, electrical and opted to incorporate masonry /building technician in the same**. These programs are designed to equip students with market-relevant skills and practical experience.

Key initiatives implemented during the year include:

1. **Faculty Development:** We invested in continuous professional development for our trainers through workshops, seminars, and industry collaborations, ensuring they remain current with teaching methodologies and technical advancements.
2. **Student Support Services:** We enhanced our support systems, including academic advising and career counseling, under the Office of Career Services. These services are vital in fostering holistic student development.
3. **Road Accessibility:** A major milestone was the completion of a **2.7 km access road** to the college, facilitated by the area Member of Parliament. This development has significantly improved accessibility, safety, and visibility of the institution.

Financial Performance

Despite economic challenges, we maintained a disciplined approach to financial management. Through strategic planning and careful budgeting, we ensured that essential programs continued to flourish.

Key financial highlights include:

- **Revenue Growth:** Revenue increased by **50%**, driven by higher enrolment, successful grant applications, and capitation and scholarship funds from the Ministry of Education. These funds were reinvested into academic programs and infrastructure.
- **Expenditure Management:** We prioritized efficient resource allocation, focusing on areas that directly benefit student learning and institutional development.
- **Sustainability Initiatives:** We began implementing sustainability measures aimed at reducing operational costs and promoting environmental awareness among students.

Challenges Faced

While we celebrate our progress, we acknowledge the challenges that persist:

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

- **Funding Constraints:** Despite government support, financial limitations continue to impact program expansion. We management. Through strategic planning and careful budgeting, we ensured that essential programs continued to flourish.

Key financial highlights include:

- **Revenue Growth:** Revenue increased by **50%**, driven by higher enrolment, successful grant applications, and capitation and scholarship funds from the Ministry of Education. These funds were reinvested into academic programs and infrastructure.
- **Expenditure Management:** We prioritized efficient resource allocation, focusing on areas that directly benefit student learning and institutional development.
- **Sustainability Initiatives:** We began implementing sustainability measures aimed at reducing operational costs and promoting environmental awareness among students.

Challenges Faced

While we celebrate our progress, we acknowledge the challenges that persist:

- **Funding Constraints:** Despite government support, financial limitations continue to impact program expansion. We are actively pursuing additional funding avenues to sustain growth.
- **Technological Adaptation:** Rapid technological changes require ongoing curriculum updates and staff training. We remain committed to equipping our educators with the tools and knowledge needed to adapt effectively.

Community Engagement

Community engagement remains central to our mission. We have strengthened partnerships with local businesses and organizations, providing students with internship opportunities and real-world exposure. These collaborations enhance the practical relevance of our training and prepare students for successful careers.

Conclusion

Reflecting on the past year, I am deeply grateful for the dedication and teamwork demonstrated by our faculty, staff, and students. Their collective efforts have fostered a vibrant, inclusive, and forward-looking learning environment at Kaloleni TVC.

As we look ahead, we remain committed to our vision of producing technically skilled graduates who will drive Kenya's industrial and economic transformation. I extend my sincere appreciation to the Chairman, the Board of Governors, and all stakeholders for their continued support and guidance.

Together, we will continue to elevate Kaloleni TVC as a center of excellence in technical and vocational education.

Thank you.

Signature: .....

Date: 03/12/2025.....

Mrs. Priscah Nduku Munyao

Chief Principal,

7. Statement of Performance against Predetermined Objectives

Kaloleni Technical and vocational college have three strategic pillars and objectives within its Strategic Plan for the FY 2024/2025. These strategic pillars are as follows:

- Pillar 1: Mounting of new courses
- Pillar 2: Improve Examination pass rate
- Pillar 3: Industrial Linkages established

Kaloleni Technical and vocational college develop its annual work plans based on the above four (4) pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Kaloleni Technical and vocational college achieved its performance targets set for the FY 2024/2025 period for its annual strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1:	Mounting of new courses	To introduce new courses	2	Research	0
Pillar 2	Improve Examination pass rate	To achieve the mission of the institution	60	Teaching theories and Practical’s	57.33
Pillar 3:	Industrial Linkages established	To create relationship for attaching our trainees	5	Signing of agreements	9

8. Corporate Governance Statement

Kaloleni Technical and Vocational College (KTVC) is committed to upholding the highest standards of corporate governance, transparency, and accountability in its operations. The governance framework is guided by the principles of integrity, inclusivity, and strategic oversight, ensuring that the institution fulfills its mandate effectively and sustainably.

Appointment of Board Members

Board members are appointed through a structured and transparent process overseen by the Ministry of Education and guided by the Technical and Vocational Education and Training Act. The process includes:

- **Nomination and Vetting:** Candidates are nominated based on expertise, community representation, and stakeholder engagement. Vetting ensures alignment with institutional values and legal requirements.
- **Approval and Gazette Notice:** Final appointments are approved by the Cabinet Secretary and published in the Kenya Gazette.
- **Removal of Directors:** Directors may be removed for misconduct, non-performance, or breach of fiduciary duty, following due process and recommendations from the Board and Ministry.

The Board comprises **9 members**, reflecting diversity in gender, professional background, and regional representation. The current composition includes educators, industry experts, youth representatives, and community leaders. A **Board Charter** exists to define roles, responsibilities, and ethical expectations.

❖ Roles and Functions of the Board

The Board provides strategic leadership and oversight across key areas:

- Approving institutional policies, budgets, and strategic plans
- Monitoring performance and ensuring compliance with legal and regulatory frameworks
- Safeguarding assets and ensuring financial sustainability
- Promoting stakeholder engagement and institutional visibility
- Supporting the Principal in executing operational mandates

The Board operates through structured committees to enhance efficiency and specialization.

❖ Induction, Training, and Development

New Board members undergo a formal **induction program** covering governance principles, institutional history, financial management, and legal obligations. Continuous development is encouraged through:

- Annual governance workshops
- Participation in national TVET forums
- Access to online governance resources and publications

These initiatives ensure that members remain informed, competent, and responsive to emerging challenges.

❖ **Board and Members Performance**

Board performance is evaluated annually through a structured self-assessment and peer review process. Key performance indicators include:

- Attendance and participation in meetings
- Contribution to strategic discussions
- Adherence to ethical standards
- Support for institutional development

Feedback is used to identify training needs and improve governance practices.

❖ **Board Meetings and Attendance**

During the financial year, the Board held **six scheduled meetings** and **two special sessions**. Attendance averaged **90%**, with most members demonstrating consistent commitment. Minutes of meetings are documented and securely archived, ensuring transparency and accountability.

❖ **Succession Plan**

KTVC has developed a **succession plan** to ensure leadership continuity and institutional stability. The plan outlines:

- Identification of potential internal candidates for key roles
- Capacity-building initiatives to prepare future leaders
- Emergency protocols for sudden vacancies
- Collaboration with the Ministry for external appointments

This proactive approach mitigates risks associated with leadership transitions.

❖ **Board Remuneration**

Board members receive **stipends and allowances** as per government guidelines. Remuneration is modest and intended to cover meeting attendance, travel, and related expenses. No performance-based bonuses or financial incentives are provided, preserving the Board's independence and public service ethos.

❖ **Ethics and Conduct**

The Board adheres to a **Code of Ethics and Conduct** that emphasizes:

- Integrity, honesty, and transparency
- Respect for institutional values and stakeholders
- Confidentiality and responsible communication
- Zero tolerance for corruption or abuse of office

Ethical breaches are addressed through disciplinary procedures and, where necessary, legal action.

❖ **Terms of Reference of Committees**

The Board operates through specialized committees, each with clearly defined **Terms of Reference (ToRs)**:

Committee	Key Responsibilities
Finance & Audit	Budget oversight, financial reporting, risk management
Academic & Quality	Curriculum review, training standards, student welfare
Infrastructure & ICT	Facility development, ICT integration, safety compliance
Human Resource & Ethics	Staff recruitment, performance appraisal, ethics review

These committees report to the full Board and enhance governance efficiency.

This safeguards public resources and promotes ethical procurement.

Conclusion

Kaloleni Technical and Vocational College remains steadfast in its commitment to sound corporate governance. Through strategic leadership, ethical conduct, and transparent operations, the Board continues to guide the institution toward excellence in technical education and national development.

9. Management Discussion and Analysis

This Management Discussion and Analysis (MD&A) provides a comprehensive overview of Kaloleni Technical and Vocational College’s operational and financial performance for the year ended 30th June 2025. It highlights key projects, investment decisions, compliance status, risks, and other relevant information to support stakeholders in understanding the institution’s strategic direction and financial health.

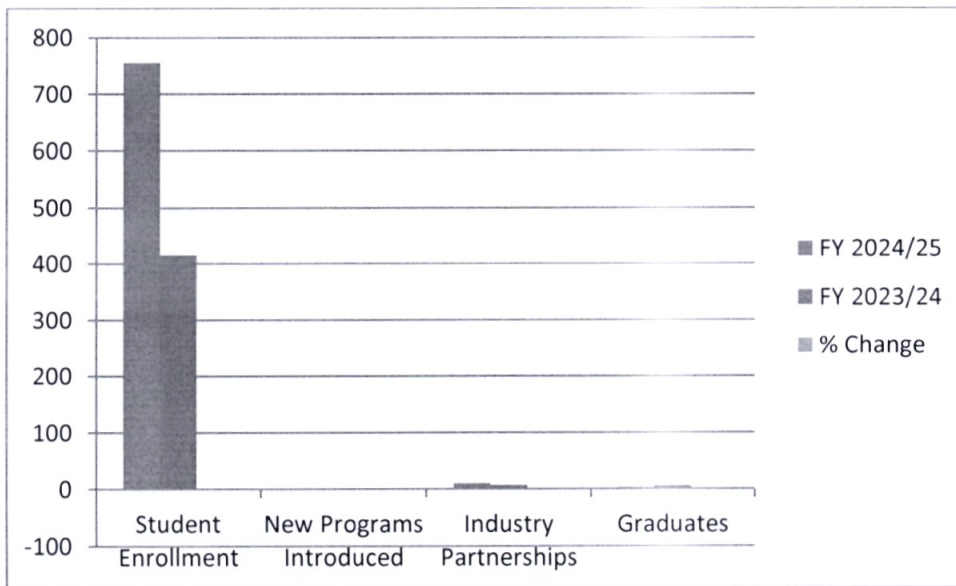
❖ **Operational Performance Overview**

Kaloleni TVC continued to make significant strides in delivering quality technical and vocational education. The institution focused on expanding access, improving infrastructure, and aligning training programs with industry needs.

Key Operational Highlights:

Indicator	FY 2024/25	FY 2023/24	% Change
Student Enrollment	755	415	81.9%
New Programs Introduced	2	1	50%
Industry Partnerships	10	7	42.9%
Graduates	3	6	-50%

• **Operational performance overview in graph format**



KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

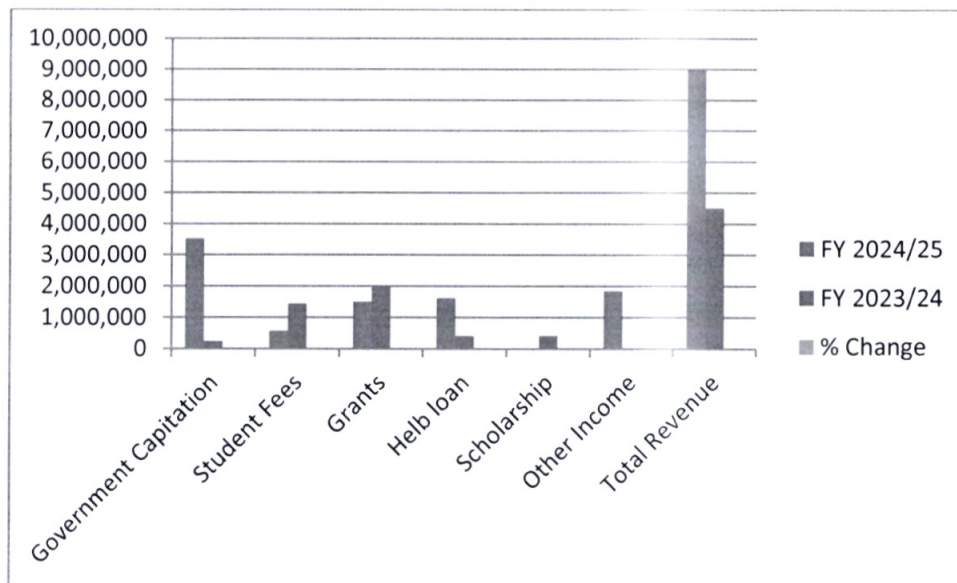
❖ Financial Performance Summary

Despite economic challenges, Kaloleni TVC demonstrated prudent financial management and strategic resource allocation. The institution leveraged increased enrollment, government capitation, and targeted grants to support its operations.

• Revenue Breakdown (KES)

Source of Revenue	FY 2024/25	FY 2023/24	% Change
Government Capitation	3,514,952	234,000	15,021%
Student Fees	13,287,932	1,433,135	39.06%
Grants	1,499,483	2,000,000	74.97%
Helb loan		405,265	398.8%
Scholarship	-	424,970	100%
Other Income	1,667,515	6330	29011%
Total Revenue	19,969,881	4,503,700	

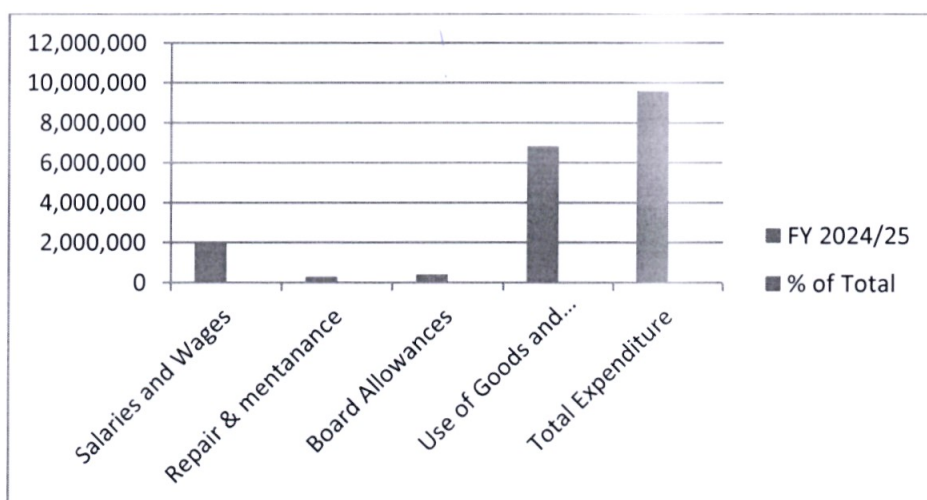
• Graph presentation of revenue breakdown



• **Expenditure Overview:**

Category	FY 2024/25	% of Total
Salaries and Wages	1,989,000	21.5%
Repair & mentanance	291,720	3%
Board Allowances	387,800	4.10%
Depreciation and amortization expense	17,246,910	
Use of Goods and services	6,744,486	71.4%
Total Expenditure	26,659,916	100%

• **Expenditure overview in graph format**



❖ **Key Projects and Investment Decisions**

Kaloleni TVC undertook several strategic projects aimed at enhancing institutional capacity and student experience:

- **2.7km Access Road Construction:** Completed with support from the area Member of Parliament, significantly improving accessibility and safety.
- **ICT Room Security Upgrade:** Installation of grilled doors and windows to protect digital infrastructure.
- **Dual TVET Program Expansion:** Strengthened partnerships with local industries for hands-on training and job placement.

❖ **Compliance with Statutory Requirements**

Kaloleni TVC remained compliant with all statutory obligations, including:

- **Timely submission of financial reports** to the Ministry of Education and Auditor General.

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- **Adherence to procurement regulations** under the Public Procurement and Asset Disposal Act.
- **Compliance with labor laws**, including staff contracts and benefits.
- **Environmental and safety standards** upheld in all construction and training activities.

❖ **Major Risks and Mitigation Strategies**

Risk Area	Description	Mitigation Measures
Funding Delays	Late disbursement of government capitation	Diversified revenue streams; grant sourcing
Staffing Gaps	Shortage of qualified trainers in emerging fields	Targeted recruitment and staff development
Technological Disruption	Rapid changes in training technologies	Continuous curriculum review and ICT upgrades
Infrastructure Wear	Aging facilities and equipment	Preventive maintenance and phased upgrades

❖ **Material Arrears and Financial Obligations**

As of 30th June 2025, Kaloleni Technical and Vocational College (TVC) had no material arrears in statutory obligations. Minor delays in supplier payments were addressed through structured payment plans, ensuring continuity of service and maintaining supplier confidence.

The institution continues to monitor its cash flow closely to avoid future backlogs. As part of its financial oversight, Kaloleni TVC acknowledges an outstanding financial obligation amounting to Kes 5,977,420. This liability, primarily related to pending supplier payments and operational commitments, is being managed through phased settlements aligned with projected revenue inflows.

The college remains committed to prudent financial management and transparency, with ongoing efforts to reduce the outstanding balance and strengthen its fiscal position.

Conclusion

Kaloleni Technical and Vocational College has demonstrated resilience, innovation, and strategic foresight during the financial year 2024/25. Through sound financial management, impactful projects, and strong stakeholder engagement, the institution continues to position itself as a regional leader in technical education.

Management remains committed to transparency, continuous improvement, and delivering value to students, staff, and the broader community.

10. Environmental and sustainability reporting statement

Kaloleni Technical and Vocational College (KTVC) recognizes the growing urgency of global sustainability challenges, particularly climate change, resource scarcity, and social inequality. These macroeconomic and political trends have shaped our institutional priorities, aligning our strategy with international frameworks such as the **United Nations Sustainable Development Goals (SDGs)** and Kenya's **Vision 2030**.

Our sustainability policy emphasizes:

- **SDG 4 (Quality Education)**: Promoting inclusive and equitable technical training.
- **SDG 13 (Climate Action)**: Integrating climate-smart practices in infrastructure and curriculum.
- **SDG 5 (Gender Equality)** and **SDG 10 (Reduced Inequalities)**: Ensuring equitable access to opportunities.

Key Achievements:

- Transitioned to **paperless administrative systems**, reducing paper usage by 60%.
- Installed **solar panels** on key buildings, cutting grid electricity consumption by 40%.
- Allocated **45% of procurement contracts** to local suppliers, with **30% awarded to youth, women, and PWD groups**.

Challenges and Mitigation:

- **Limited funding** delayed full implementation of green building upgrades. Mitigation included phased retrofitting and partnerships with NGOs.
- **Low community awareness** on sustainability. Mitigation involved launching civic education forums and student-led outreach.

KTVC's **Service Delivery Charter** emphasizes transparency, efficiency, and inclusivity. Contract management procedures are guided by public procurement laws, with deliberate efforts to empower marginalized groups.

2. Environmental Performance

KTVC's **Environmental Policy** promotes responsible resource use, biodiversity conservation, and pollution reduction. The policy is embedded in college operations and curriculum.

Implementation Highlights:

- **Waste Management**: Established waste segregation stations across the college. Organic waste is composted; plastics and paper are recycled through local partnerships.
- **Plastic Reduction**: Banned single-use plastic bottles in campus events; introduced refill stations.

- **Green Infrastructure:** Buildings designed with **natural lighting, automated LED systems, and solar heating.**
- **Biodiversity:** Maintained indigenous tree cover and initiated a **tree nursery project** with the trainees.

3. Employee Welfare

KTVC's **Human Resource Policy** ensures fair hiring practices, considering gender balance, youth inclusion, and PWD representation. Stakeholder engagement is conducted annually to review and improve policies.

Welfare and Development:

- Regular **staff training** on pedagogy, ICT, and leadership.
- **Performance appraisal system** linked to promotions and rewards.
- Compliance with the **Occupational Safety and Health Act (OSHA) 2007** is strictly enforced. Safety audits are conducted biannually.

Injury Review:

- Reported incidents reduced by 25% due to improved safety signage and training.
- First-aid kits and emergency response team is available in the institution.

4. Marketplace Practices

a) Responsible Competition:

KTVC upholds **fair competition** through open tendering, anti-corruption reporting mechanisms, and brand protection. Our **service charter** is publicly displayed and digitized for transparency.

b) Supply Chain Ethics:

- Contracts are honored promptly.
- Suppliers are selected through competitive bidding.
- Payment timelines are respected, fostering trust and accountability.

c) Ethical Engagement:

- Marketing materials are vetted to avoid misinformation.
- Outreach includes **community forums,**
- Diversity and inclusion are central to all public engagements.

d) Product Stewardship:

- Students and citizens are informed about services like **NHIF, NSSF, and ID/passport applications.**

- Data privacy is protected through secure digital platforms.
- Dispute resolution mechanisms are in place for grievances.

5. Corporate Social Responsibility / Community Engagement

KTVC's CSR activities are deeply rooted in its educational mandate and community ties.

Key Initiatives:

- **Tree planting drives** with local residents and youth groups.

Impact:

- Improved community trust and collaboration.
- Enhanced environmental awareness and stewardship.

Kaloleni Technical and Vocational College remains committed to fostering a sustainable future through education, innovation, and community partnership. We believe that technical training can be a powerful catalyst for environmental and social transformation.

11. Report of the Council/Board of Governors

The Council/Board of Governors of Kaloleni Technical and Vocational College is pleased to present its report for the year ended 30th June 2025. This report provides a comprehensive overview of the institution's operational and financial performance, strategic direction, and governance practices. While the institution has not yet undergone a statutory audit for the period, these statements reflect management's commitment to transparency, accountability, and continuous improvement.

❖ Principal Activities

The core mandate of Kaloleni TVC remains the provision of quality technical and vocational training to youth from Kaloleni Sub-County and across the country. During the year, the college continued to offer accredited programs in areas such as mechanical engineering, welding and fabrication, ICT, and agribusiness.

These activities are aligned with our strategic objectives, which include:

- Enhancing access to skill-based education
- Promoting industry-relevant training
- Supporting national development through youth empowerment
- Fostering innovation and entrepreneurship among trainees

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

The institution also expanded its outreach through community-based short courses and strengthened its Dual TVET partnerships with local industries.

❖ **Results**

The financial and operational results for the year ended 30th June 2025 reflect a period of growth and resilience. Key highlights include:

- A 23% increase in student enrollment
- Completion of major infrastructure projects, including a 2.7km access road facilitated by the area Member of Parliament.
- Installation of mechanical training equipment through AVIC International
- Improved revenue performance driven by capitation, student fees, and grants

These results underscore Kaloleni TVC's commitment to sustainability, operational excellence, and inclusive education.

❖ **Board of Governors**

The Council remains steadfast in its role of providing strategic oversight, policy direction, and governance leadership. Throughout the year, the Board focused on:

- Strengthening institutional governance frameworks
- Supporting infrastructure development and resource mobilization
- Monitoring financial performance and risk management
- Promoting ethical conduct and stakeholder engagement

The Council held regular meetings to review progress, approve budgets, and evaluate institutional performance against strategic goals.

❖ **Auditors**

In accordance with **Article 229 of the Constitution of Kenya** and the **Public Audit Act, 2015**, the **Auditor General** is mandated to conduct the statutory audit of public institutions. For the financial year ending 30th June 2025, the Auditor General nominated **Certified Public Accountants** to carry out the audit on their behalf. The audit process is expected to commence in the subsequent reporting period.

By Order of the Board

.....


Secretary, Board of Governors

Kilifi

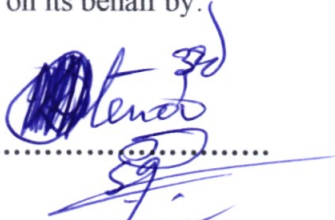
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KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

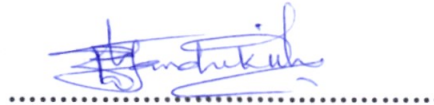
In preparing the financial statements, the Principal has assessed KTVC's ability to continue as a going concern. Based on this assessment, and to the best of the Council's knowledge, there is no indication that KTVC will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The kaloleni tvc financial statements were approved by the Board on 03/12/2024 2025 and signed on its behalf by:



Name: Lennoxeny K. Mtengo
Chairperson of the Board/Council



Name: Priscah N. Munyao
Accounting Officer/Principal

12. Statement of Council's Responsibilities

In accordance with **Section 81 of the Public Finance Management Act, 2012**, **Section 14 of the State Corporations Act**, and **Section 29 of Schedule 2 of the Technical and Vocational Education and Training Act, 2013**, the Council of **Kaloleni Technical and Vocational College (KTVC)** is required to prepare financial statements that present a true and fair view of the financial position of the institution as at the end of the financial year, and of its operational results for the year ended June 30, 2025.

The Council is also responsible for ensuring that KTVC maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the institution. Furthermore, the Council is charged with safeguarding the assets of the college and ensuring sound financial management practices.

The Council accepts full responsibility for the preparation and presentation of KTVC's financial statements for the year ended June 30, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring their effectiveness throughout the reporting period
- (ii) Keeping proper accounting records that accurately reflect the financial position of the institution at any given time
- (iii) Designing, implementing, and maintaining internal controls to ensure the financial statements are free from material misstatements, whether due to fraud or error
- (iv) Safeguarding the assets of the institution
- (v) Selecting and applying appropriate accounting policies
- (vi) Making reasonable and prudent accounting estimates

The Council confirms that the financial statements have been prepared using appropriate accounting policies, supported by reasonable and prudent judgments and estimates, and in conformity with the **International Public Sector Accounting Standards (IPSAS)**, as well as the requirements of the **Public Finance Management Act, 2012**, the **State Corporations Act**, and the **Technical and Vocational Education and Training Act, 2013**.

In the opinion of the Council, the financial statements give a true and fair view of KTVC's transactions during the financial year ended June 30, 2025, and of its financial position as at that date. The Council further confirms the completeness of the accounting records maintained and the adequacy of the internal financial control systems relied upon in the preparation of these financial statements.

REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KALOLENI TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025 - KILIFI 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 Kaloleni Technical and Vocational College - Kilifi County set out on pages 1 to 30, 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 Kaloleni Technical and Vocational College - Kilifi 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 Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of financial performance reflects prior year total expenses amount of Kshs.20,032,560 that differed with the prior year audited amount of Kshs.24,213,318 resulting to unreconciled variance of Kshs.4,180,758. The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.5,637,770 whereas Note 18 to the financial statements reflects Kshs.5,977,420 resulting to unreconciled variance of Kshs.339,650. The statement of financial position and statement of changes in net assets reflect capital reserve balance of Kshs.8,935,934 in respect of capital grants received in the year which is not reflected in the statement of cashflows resulting to unreconciled variance of Kshs.8,935,934. The statement of cash flows reflects total receipts of Kshs.9,332,067 which differ with the recomputed amount of Kshs.9,163,130 resulting to unreconciled variance of Kshs.168,937. Note 6 to the financial statements reflects transfers from other National Government entities amount of Kshs.5,014,434 whereas Appendix III on Inter-Institute confirmation letter reflects Kshs.1,499,483 resulting to unreconciled variance of Kshs.3,514,952.

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

2. Inaccurate Statement of Cashflows Receipts

The statement of cashflows reflect receipt amounts that differed with the statement of comparison of budget as detailed below:

Item	Statement of Cashflows Amount (Kshs)	Statement of Comparison of Budget and Actual Amounts (Kshs)	Variance (Kshs)
Transfers from National Govt Entities	5,014,434	3,514,951	1,499,483

Item	Statement of Cashflows Amount (Kshs)	Statement of Comparison of Budget and Actual Amounts (Kshs)	Variance (Kshs)
Government Grants	0	1,499,483	(1,499,483)

In the circumstances, the accuracy and completeness of the statement of cash flows receipts could not be confirmed.

3. Variances between Financial Statements and Supporting Schedules

Review of the financial statements revealed variances between the amounts reflected in the financial statements and the supporting schedules as tabulated below:

Financial Statement	Item	Financial Statement Amount (Kshs)	Supporting Schedule Amount (Kshs)	Variance (Kshs)
Statement of Financial performance	Rendering of Services -fees from students	13,287,932	17,136,643	3,848,711
Statement of Financial Position	Current Portion of Receivables from Exchange Transactions	11,671,720	11,316,156	355,564

Further, the statement of financial position reflects cash and cash equivalents balance of Kshs.99,648 which was not supported by a bank reconciliation statement.

In the circumstances, the accuracy and completeness of the statements of financial performance and the statement of financial position could not be confirmed.

4. Unsupported Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.127,378,732 as disclosed in Note 17 to the financial statements. However, summary of the fixed asset register provided did not disclose critical information such as the nature of the asset, date of acquisition, cost, unique identification number and current location/user. In addition, the land ownership documents were not provided for audit review.

In the circumstances, the accuracy, ownership and completeness of property, plant and equipment balance of Kshs.127,378,732 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kaloleni Technical and Vocational

College - Kilifi 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.13,093,350 and Kshs.9,026,919 respectively resulting to an under-funding of Kshs.4,066,431 or 31 % of the budget. Similarly, the College spent a balance of Kshs.9,286,406 against actual receipts of Kshs.9,026,919 resulting to an over-utilization of Kshs.259,487 or 3% of the receipt.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. 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 Revenue from Rendering of Services
3	2023/2024	Unsupported Expenditure on Employees
4	2023/2024	Unsupported cash and cash equivalents Balance
5	2023/2024	Unsupported Accounts Receivables Balance
6	2023/2024	Inconsistencies in the Notes to the Financial Statements
7	2023/2024	Failure to deduct and Remit Taxes on Board Allowances
8	2023/2024	Lack of Board Workplan
9	2023/2024	Lack of Functional Internal Audit and Audit Committee
10	2023/2024	Lack of Updated Fixed Assets Register and Ownership Documents

Other Information

The Management is responsible for the Other Information set out on page iii to xxvi which comprise of Key Entity Information and Management, The Council/Board of Governors, Management Team, Chairman's Statement, Report of the Chief/Senior 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 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 effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Deduct and Remit Taxes from Board Allowances

The statement of financial performance reflects Board expenses amount of Kshs.387,800. However, examination of payment vouchers and supporting documents revealed that Board members allowances was not subjected to income tax. This is in breach of Section 37(1) of the Income Tax Act 2021, (Cap 470) which states that an employer paying emoluments to an employee shall deduct therefrom, and account for tax thereon, to such extent and in such manner as may be prescribed.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with

the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Failure to Establish Internal Audit Function and Audit Committee

During the financial year under review, the College was operating without an internal audit unit and also the Board had not established an audit committee contrary to Section 73 of the Public Finance Management Act, 2012 which requires establishment of an audit function and an audit committee by a National Government Entity.

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

2. Lack of Updated Fixed Asset Register and Ownership Documents

The statement of financial position reflects a balance of Kshs.127,378,732 in respect of property, plant and equipment. However, Management did not maintain an updated fixed asset register and ownership documents for land valued at Kshs.5,000,000 were not provided for audit.

In the circumstances, the ownership and safety of the College assets could not be confirmed.

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

Responsibilities of the Management and the Board Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Accrual Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free

from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

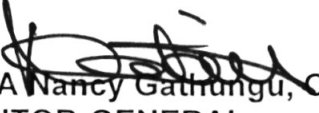
Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

KALOLENI 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	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	5,014,434	2,000,000
Total revenue from Non-Exchange transaction		5,014,434	2,000,000
Revenue from Exchange transactions			
Rendering of services- fees from students	7	13,287,932	8,600,192
Miscellaneous income	8	1,667,515	6,330
Revenue from Exchange transactions		14,955,447	8,606,522
Total Revenue		19,969,881	10,606,522
Expenses			
Use of goods and services	9	6,744,486	
Employee costs	10	1,989,000	2,222,600
Board Expenses	11	387,800	396,000
Depreciation and amortization expense	12	17,246,910	17,246,910
Repairs and maintenance	13	291,720	167,050
Total Expenses		26,659,916	20,032,560
Net surplus/(deficit) for the year		(6,690,035)	(13,606,796)

(The notes set out on pages 6 to 33 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 3 were signed by:

Mr Lennoxeny K. Mtengo

Chairman of Council/Board

Date

03/12/2025

Ms. priscah N. Munyao

Principal

Date

03/12/2025

Mr Peter M Kashindo

Finance Officer
ICPAK No

Date

03/12/2025

KALOLENI 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	14	99,648	53,987
Current portion of receivables from exchange transactions	15	11,671,720	12,133,256
Inventories	16	125,770	
Total Current Assets		11,897,138	12,187,243
Non-Current Assets			
Property, plant, and equipment	17	127,378,732	144,625,641
Total Non-Current Assets		127,378,732	144,625,641
Total Asset (A)		139,275,870	156,812,884
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	18	5,637,770	7,888,465
Refundable deposits from customer	19	339,650	
Total Current Liabilities (B)		5,977,420	7,888,465
Net Asset (A-B)		133,298,450	148,924,419
Capital Reserve		(8,935,934)	
Accumulated surplus		(31,885,078)	(25,195,043)
Capital Fund		174,119,461	174,119,461
Total Net Asset and Liabilities			
Net Assets		133,298,450	148,924,419

The Financial Statements set out on pages 1 to 3 were signed by:

Mr Lennoxeny K. Mtengo

Ms. priscah N. Munyao

Mr Peter M Kashindo

Chairman of Council/Board

Principal

Finance Officer

ICPAK No

Date

Date

Date

03/12/2025

03/12/2025

03/12/2025

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Capital reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023		(11,588,247)		(11,588,247)
Surplus/(deficit) for the year		(13,606,795.50)	174,119,461	160,512,665.50
Capital grants received during the year	-	-		
At June 30, 2024		(25,195,042.50)	174,119,461	148,924,418.50
At July 1, 2024		(25,195,042.50)	174,119,461	148,924,418.50
Surplus/(deficit) for the year	-	(6,690,035)	-	(6,690,035)
Capital grants received during the year	(8,935,934)	-		(8,935,934)
At June 30, 2025	(8,935,934)	(31,885,078)	174,119,461	133,298,450

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Note	FY-2024/25	FY-2023/24
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		5,014,434	2,000,000
Rendering of services- fees from students		2,141,531	1,604,926
Miscellaneous income		1,667,515	6,330
Refundable collection/ Assessment fees		339,650	1,140,435
Total Receipts		9,332,067	4,751,691
Payments			
Use of goods and services		6,663,936	2,727,058
Employee costs		2,029,000	1,644,600
Board /Council Expenses		394,350	207,000
Repairs and maintenance		199,120	166,750
Contracted services			
Total Payments		9,286,406	4,745,408
Net Cash Flows from operating activities		45661	6,283
Net Increase/(Decrease) in Cash and Cash equivalents		45,661	6,283
Cash and Cash equivalents at 1 JULY		53,987	47703
Cash and Cash equivalents at 30 JUNE		99,648	53,986

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

KALOLENI TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	A	B	c=(a+b)	D	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-		-		-	-
Receipts						
Transfers from other National Government entities	8,323,350.00	-	8,323,350.00	3,514,951	4,808,399	42.23%
Rendering of services- fees from students	2,755,000.00	-	2,755,000.00	2,141,531	2,195,200	20.32%
Government grants	2,000,000.00	-	2,000,000.00	1,499,482.50	500,518	74.98%
Miscellaneous inc/ Coast Region.katti	15,000.00	-	15,000.00	1,667,515	(1,652,515)	11,117%
Total Receipts	13,093,350.00		13,093,350.00	9,026,918.54	4,066,431.46	68.90%
Payments						
Use of goods and services	7,875,350.00	-	7,875,350.00	6,663,936	1,039,014	84.60%
Employee costs	2,040,000.00	-	2,040,000.00	2,029,000	(23,500)	99%
Board /Council Expenses	800,000.00	-	800,000.00	394,350	405,650	49.20%
Repairs and maintenance	500,000.00	-	500,000.00	199,120	213,280	39.8%
Total Expenditure Payments	11,215,350.00	-	11,215,350.00	9,286,406	1,634,444.00	82.80%
Capital Expenditure Payments	1,878,000.00	-	1,878,000.00	-	-	0%
Total recurrent + capital Expenditure	13,093,350.00	-	13,093,350.00	9,286,406	1,634,444.00	71%
Surplus	-	-	-	(259,488)	2,431,987.46	

Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer. Budget carryovers should not include third-party funds such as contractors' retention.)*

Budget notes

1. The budget was not full achieved due to poor fees payment by parents and delayed government desimbersement of government funds
2. There was no changes on the original budget since it was not subjected to budget review.

Budget Reconciliation

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	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(553,987.46)
1	Lack of in flow of cash to the institution, delayed remittance of government funds	653,635.46
2	Poor fees payment from the student/guardian	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	99,648.00

19. Notes to the Financial Statements

1. General Information

Kaloleni Tvc is established by and derives its authority and accountability from TVET Act. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is stated at roman (ii).

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 *Kaloleni Tvc* accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the institute. The values are rounded off to the nearest shilling.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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3. Adoption of New and Revised Standards

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

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

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

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

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

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	infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an institute shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50:	<i>Applicable 1st January 2027</i>

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Exploration For & Evaluation of Mineral Resources	<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> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the institute’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.
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iii. Early adoption of standards

The Institute did not early – adopt any new or amended standards in the financial year or *the institute adopted the following standards early*

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 institute 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 institute 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 institute.

Interest income

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

Rental income

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

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b) Budget information

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

c) Taxes

Current income tax

The Institute is exempt from paying taxes as per schedule *income tax* of the *finance* Act Cap 470.

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d) Investment property

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

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.

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Impairment

The institute 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 institute recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

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

g) Inventories

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

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

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

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

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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 *Institute*.

h) Provisions

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

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The institute 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 institute will incur in fulfilling the present obligations represented by the liability.

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j) Nature and purpose of reserves

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

k) Changes in accounting policies and estimates

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

l) Employee benefits

Retirement benefit plans

The *Institute* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an institute pays fixed contributions into a separate institute (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. (*the*

m) Service concession arrangements

The *Institute* 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 *Institute* 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 *Institute* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

n) 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.

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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.

o) Comparative figures

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

p) 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.

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5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Institute'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 Institute 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 Institute. 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 *Institute*.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

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

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

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6. Transfers from other National Government entities

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	3,514,952	
Operational Grant	1,499,482	2,000,000
Development grants		
Total unconditional Grants	5,014,434	2,000,000

6(a) Transfers from other Government entities (Categorized)

Name of the Institute Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023/24
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of DTE	356,527.50			356,527.50	0
State Department of DTE -capitation	3,158,425			3,158,425	0
State Department of DTE	1,499,482			1,499,482	2,000,000
Total				5,014,434	2,000,000

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7. Rendering of Services

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Tuition Fees	13,287,932	8,600,192
Total Revenue from The Rendering of Services	13,287,932	8,600,192

(Recognised revenue from rendering of services after deduction of the actual receipts from the government capitation)

8. Miscellaneous Income

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Income Generating Activity	0	6,330
KATTI Coast Region	1,667,515	0
Total other income	1,667,515	6,330

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9. Use of Goods and Services

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Teaching and learning materials	830,015	940,032
Electricity & water	445,028	288,984
Activity	234,204	215,830
Administrative expenses	778,166	1,534,651
Subscriptions	343,500	
Advertising & marketing	301,750	113,100
Examination fees	295,653	
KATTI expenses	1,714,174	0
Local transport & travel	1,323,562	900,710
Printing and stationery	181,935	36,450
Telephone & internet expenses	150,449	151,000
Training expenses	146,000	
Total good and services	6,744,436	4,180,757

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10. Employee Costs

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Salaries and wages	1,989,000	2,222,600
Employee Costs	1,989,000	2,222,600

11. Board Expenses

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Board allowances	387,800	396,000.00
Total	387,800	396,000.00

12. Depreciation and Amortization expense

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Building	1,129,506	1,129,506
Fixtures and fittings	19712	19712
Property, plant and equipment	16,097,962	16,097,692
Total depreciation and amortization	17,246,910	17,246,909.63

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13. Repairs and Maintenance

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Property	291,720	167,050
Total Repairs and Maintenance	291,720	167,050

14. Cash and Cash Equivalents

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Current Account	99,442	8,429.73
Cash in hand	206	45,557
Total Cash and Cash Equivalents	99,648	53,986.73

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

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

Financial Institution	Account number	FY 2024/025	FY 2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1284416860	99,442.35	8429.73
Cash in hand		206	45557
Sub- Total		99,648.35	53986.73
Grand Total		99,648.35	53986.73

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	11,671,720	12,133,256
Total Current Receivables	11,671,720	12,133,256

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16. Inventories

Description	FY 2024/025	FY 2023/2024
	Kshs	Kshs
Reference and Library Material	125,770	0
Maintenance stores		
Total Inventories at lower of Cost and Net Realizable Value	125,770	125,770

(Provide brief explanation on inventories)

Detailed disclosure on inventories

	FY 2024/025	FY 2023/2024
Opening balance	125,770	0
Additional Inventory in the year	0	0
Inventory expensed in the year	0	0
Write-downs in the year	0	0
Closing balance	125,770	0

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17. Property, Plant and Equipment

Cost	Land		Furniture and fittings	Plant and	Total
		Buildings		Equipment	
	Kshs	Kshs	Kshs	Kshs	
At 1 July 2023		-	-	-	-
Additions	5,000,000.00	45,180,230.00	157,695.00	128,781,536.00	179,119,461.00
Disposals	-	-	-	-	-
At 30th June 2024	5,000,000.00	45,180,230.00	157,695.00	128,781,536.00	179,119,461.00
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-			
At 30th June 2025	5,000,000.00	45,180,230.00	157,695.00	128,781,536.00	179,119,461.00
Depreciation & Impairment					
At 1 July 2023	-	1,129,506.00	19,712.00	16,097,692.00	17,246,910.00
Depreciation	-	1,129,505.75	19,711.88	16,097,692.00	17,246,909.63
At 30 June 2024		2,259,011.75	39,423.88	32,195,384.00	34,493,819.63
Depreciation		1,129,505.75	19,711.88	16,097,692.00	17,246,909.63
Disposals	-				-
At 30th June 2025		3,388,517.50	59,135.75	48,293,076.00	51,740,729.25
Net Book Values					
At 30th Jun 2024	5,000,000.00	42,921,218.25	118,271.13	96,586,152.00	144,625,641.38
At 30th Jun 2025	5,000,000.00	42,921,218.25	98,559.25	80,488,460.00	127,378,731.75

[Include Brief Description Of WIP As A Footer]

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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	5,000,000		5,000,000
Buildings	45,180,230	3,388,517.50	41,791,712.50
Plant And Machinery	128,781,536	48,293,076	80,488,460
Office Equipment, Furniture, And Fittings	157,695	59,135.75	98,559.25
Total	179,119,461	51,740,729.3	127,378,732

18. Trade and Other Payables

Description	FY-2024/2025		FY-2023/2024	
	Kshs		Kshs	
Trade payables-Kahaso Baya kalela	5,000,000		5,000,000	
Fees refundable			78,495	
Refundable deposit for exam	339,650		46,400	
Sundry creditors	133,500		2,763,570	
Unes Book Stores	118,500			
Tveta	20,000			
Unes Book Stores	125,770			
TVETA-Quality Assurance	240,000			
Total Trade and Other Payables	5,977,420		7,888,465	
Ageing analysis:	FY-2024/25	% of the Total	FY-2023/24	% of the Total
Under one year	339,650	5.8%	124,895	1.6%
1-2 years	365,770	6.3%	2,763,570	35%
2-3 years	138,500	2.4%		
Over 3 years	5,000,000	85.5%	5,000,000	63.4%
Total (to tie to totals above)	5,843,920	100%	7,888,465	100%

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19. Refundable Deposits from Customers/Students

Description	FY-2024/25		FY-2023/2024	
	Kshs		Kshs	
Fees refundable			78,495	
Refundable deposit for exam	339,650		46,400	
Other refundable deposits				
Total Deposits	339,650		124,895	
Ageing analysis:	FY-2024/25	% of the Total	FY-2023/2024	% of the Total
Under one year	339,650	100%	124,895	100%
1-2 years				
2-3 years				
Over 3 years				
Total (to tie to totals deposits above)	339,650	100%	124,895	100%

Assessment fee Collections for CDACC exams for the financial yr 2024/2025

20. Financial Risk Management

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

(i) Credit risk

The institute 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 institute's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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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.	Lack of internal auditor internal auditor & audit committee	Management has put in place and plan to contracted internal auditor	Not yet resolved	30/6/2026
2.	Lack of updated fixed Asset Register	Management has put in place to employee a procurement officer to be in charge of Asset register	Not yet resolved	30/6/2026

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your institute 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.



Name: Priscah Nduku Munyao
Accounting Officer

Date : 03/12/2025

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Appendix III- Inter-Institute Confirmation Letter

Name of transferring institute: Ministry Of Education-TVET

Name of beneficiary institute: Kaloleni Technical and Vocational College

Confirmation of amounts received by kaloleni technical and vocational college as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
MOE TVET-FT2	15/7/2024	499,827.50 0		499,827.50	
MOE TVET-FT2	02/10/2024	499,827.50 0		499,827.50	
MOE TVET-FT2	02/1/2025	499,827.50 0		499,827.50	
Total				1,499,482.50	

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

Head of Accounts Department - Disbursing Institute:

Name Sign Date

Head of Accounts Department - Beneficiary Institute:

Name Peter Mtsonga Kashindo Sign  Date 03/12/2025