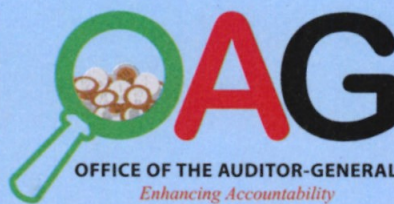


REPUBLIC OF KENYA



REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 26 FEB 2026

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THE-TABLE:

V. WAMBUI

THE AUDITOR-GENERAL

ON

**KIGUMO TECHNICAL AND
VOCATIONAL COLLEGE**

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



Revised 30th June 2025



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

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
KTVC	Kigumo Technical and Vocational College
OHS	Occupational Health and Safety
KATTI	Kenya Association of Technical Training Institutions
CCTV	Closed-Circuit Television
QMS	Quality Management System
AIA	Appropriation in Aid
MSME	Micro, Small, and Medium Enterprises
PO	Procurement Officer
FO	Finance Officer
NG-CDF	National Government Constituencies Development Fund
GAAP	Generally Accepted Accounting Policies
KUCCPS	Kenya Universities and Colleges Central Placement Services
ICT	Information Communication Technology
HELB	Higher Education Loans Board
NGAAF	National Government Affirmative Action Fund

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Kigumo Technical and vocational college (KTVC) was incorporated/ established under the TVET Act 2013. The entity is domiciled in Kenya and is located in Muthithi, Kigumo Sub- County in Murang'a County. It has no branches. The institute is under the Ministry of Education. The college first trainees were admitted in January 2023 in the following courses; Electrical engineering, ICT, Fashion and Design, Hair Dressing ng and Beauty Therapy and Building Technology. The college is a centre of excellence in Fashion and Design. Currently the college has a total population of 491 trainees in six departments as at June 2025. The college is located along Kaharati-Kangari road.

(b) Principal Activities

Kigumo Technical and vocational college is to provide Technical, Vocational and Entrepreneurship Training (TVET) using appropriate technology to empower trainees for individual and national development. The College provides leadership in designing suitable plans and strategies that contribute to high and sustainable socio-economic development; The College has a credible strategic plan and performance contract that delivers the desired goals. It is also our undertaking that we will perform our responsibilities diligently and to the best of our abilities to support the achievement of the agreed performance targets.

Vision

To be a leading provider of quality and innovative vocational training that will strengthen the economy and impact communities.

Mission

To provide quality Education Research and Innovation for global transformation and sustainable development.

Core values

- Excellence
- Teamwork
- Integrity
- Innovativeness
- Discipline

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(c) Key Management-

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

- BOG Chairperson- Ms. Hazel W. Gachunga
- Principal - Ms. Jeniffer W. Gachago
- Deputy Principal -Academics Mr. Daniel N. Muhia
- Deputy Principal- Administration Mr. Samson Mumo
- Dean of Students Mr. Patrick Kiambi
- Registrar - Ms Catherine Kalee

(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	Jeniffer W. Gachago
2	Deputy principal Academics	Daniel N. Muhia
3	Deputy principal Administration	Samson Mumo
4	Registrar	Catherine Kalee
5	Dean of students	Patrick Kiambi
6	Head of Building and Civil Engineering	Brian Ogada
7	Head of Business Studies & Entrepreneurship`	Henry Koros
8	Head of Electrical and Electronics Engineering	Peter Wanjohi
9	Head of Informatics and Computing	Ephantus Kimani
10	Head of Hospitality	Alice M. Irungu
11	Head of Finance	Nancy W. Wanjiru

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

- Establish Internal Audit Functions
- Formulate whistleblowing Policy in the College
- Formulate and Review of OHS Policy
- Insurance of all asset's general accident cover for students and BOG employees
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulation and Review of Security Policy
- Establish and Maintain Archives
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized
- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

Finance and operations committee activities

- Oversees budget preparation and financial planning of the College
- Provide financial analysis, advice and oversight of the college budget
- Ensuring that accurately, timely financial statements are prepared and presented to the board.
- Safeguards the College assets
- Ensure the College maintains adequate insurance cover
- Monitor incomes and expenditures against projections

Academic committee activities

- Planning and executing the overall academic growth of the college by making recommendation to the board.
- Recommending to the board the necessary infrastructural, human resource and other requirements for progressing towards achieving the vision of the college.
- Arranging teaching requirements for successful completion of academic programs of the college and supervising the same periodically.
- Facilitating examination officer for making arrangements for conducting examinations as per the college guidelines.
- Facilitate promotion of collaboration and linkages with other academic intuitions and industry

Key Entity Information and Management (Continued)

Name of the Committee	Members
Finance and Resource Mobilization	1. Mrs. Jane Wangari Wanjeru 2. Rev. George Kahuho 3. Mrs. Jeniffer W. Gachago
Academics	1. Mr. Galgallo Halakhe 2. Mr. Harun Thuo 3. County Director 4. Ms. Monica N. Muiruri
Risk and Audit	1. Mr. Raphael Sinoyia Sarinke 2. Mrs. Clarah Jepkosgei Kimeli 3. Mr. John muriu- Internal Auditor /Secretary

(f) Entity Headquarters

P.O. Box 5-10203
 Kigumo, Muranga County
 Along Kaharati- Kangari road

(g) Entity Contacts

Telephone: (254) 769 394 263
 E-mail: kigumotvc@gmail.com / info@kigumotvc.ac.ke
 Website: www.kigumotvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
 Muranga Branch
 P.O Box 112-10200
 Muranga Town

Key Entity Information and Management (Continued)


(i) Independent Auditors

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

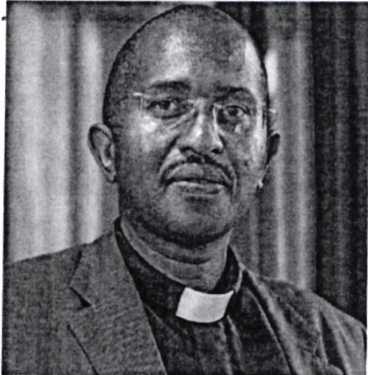

(j) Principal Legal Adviser

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



3.The Board of Governors

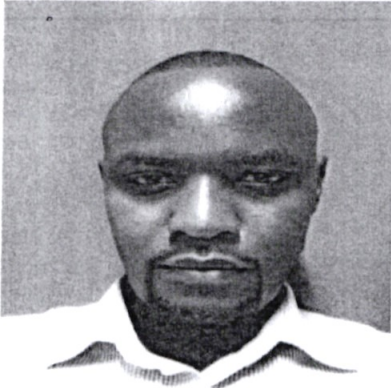

SN.	Member	Details
1.	<p>Chairperson</p>  <p><u>Prof Hazel Wanjiku Gachunga</u></p> <p>Profession: Human Resource and Change Management Consultant</p>	<p>Date of Birth: 22/5/1971</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Doctorate in Business Administration – Human resource management option • Masters in Personnel Management and Industrial relations • Bachelor of Education <p>Work Experience:</p> <ul style="list-style-type: none"> • Chairperson of Commerce and Economics Department and Senior Lecturer – Jomo Kenyatta University of Agriculture and Technology • Lead Adjunct Faculty for Executive Education Programs - Strathmore Business School • Change Management Consultant – DAI international • Change Management Consultant UNODC • Change Management Consultant – World Bank • Change Management Consultant – Nairobi Hospital • Change Management Consultant – CIMMYT • Change Management Consultant – Global Green Growth Initiatives • Change Management Consultant – NIRAS International • Change Management Consultant – CIMMYT

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<p>2.</p>	<p>Leadership</p>  <p><u>Rev. George Kahuhu Ngatia</u></p> <p>Profession: Parish Minister</p>	<p>Date of Birth: 30/4/1967</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Mth (Commendation) Queens University • Bachelor of Divinity • Bachelor of Business Administration (management) <p>Work Experience:</p> <ul style="list-style-type: none"> • Parish Minister – PCEA Githunguri parish – Githunguri Presbytery • Parish Minister – PCEA Sukari parish – North Nairobi Presbytery • Parish Minister – PCEA Gilgil parish – Abardare Presbytery • Parish Minister – PCEA Langata parish – Milimani Presbytery • Parish Minister – PCEA Munyu parish – Kiganjo Presbytery • Export Officer – Kenfreight East Africa Ltd <p>Finance Committee member</p>
<p>3.</p>	<p>Finance</p>  <p><u>Jane Wangari Wanjeru</u></p> <p>Profession: Finance Officer</p>	<p>Date of Birth: 15/5/1986</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Bachelor of Commerce • Certified Public Accountant <p>Work Experience:</p> <ul style="list-style-type: none"> • Chief Executive Officer – Tambulika Sacco Ltd • Finance and Operation Manager – VEP group of Companies • Finance Manager - Orient Sacco <p>Accountant – Murata Sacco Limited</p> <p>Finance Committee Chairperson</p>

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<p>4.</p>	<p>Industry</p>  <p><u>Raphael Sinoyia Sarinke Masindet</u> Profession: ICT Officer</p>	<p>Date of Birth: 1/1/1978 Academic Qualifications:</p> <ul style="list-style-type: none"> • Masters of science in computer information system • Degree Bachelor of computer Application II • Diploma in Computer Operations – Hardware and Networking <p>Work Experience:</p> <ul style="list-style-type: none"> • ICT Officer – National Land Commission <p>Database Administrator – National Museum of Kenya</p> <p>Audit Committee Chairperson.</p>
<p>5.</p>	<p>Technology</p>  <p><u>Galgallo Halakhe Waqo</u> Hotel and Event Manager</p>	<p>Date of Birth: 24/12/1991 Academic Qualifications:</p> <ul style="list-style-type: none"> • Bachelor Degree in Hospitality, hotel and Event Management • Diploma in Hotel Management <p>Work Experience:</p> <ul style="list-style-type: none"> • General Manager- Nokras Riverine Hotel and Spa • Food and Beverage Manager - Nokras Riverine Hotel and Spa • Head of Food and Beverage Department -Green Heels Hotel (Courtesy Hotels) • In charge of Service Department – Kenya School of Monetary Studies (Conference Centre) • Food and Beverage Supervisor - Enashipai Resort and Spa • Management Trainee- Enashipai Resort and Spa • Food and Beverage Supervisor • (casual) -Enashipai Resort and Spa • Supervisor during outside catering – Safari park and Hotel • Supervisor training – Utalii Hotel <p>Operational training – Utalii Hotel</p> <p>Academic Committee Chairperson.</p>

<p>6.</p>	<p>Engineering</p>  <p><u>Harun Thuo Kamau</u> Profession: Mechanical Engineer</p>	<p>Date of Birth: 2/11/1988</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • BSC Mechanical Engineering • Diploma in Mechanical Engineering <p>Work Experience:</p> <ul style="list-style-type: none"> • Operation and Maintenance team leader – Thika Power and Generating Company 87MW • Mechanical Technician – Hyoung & Co.Ltd <p>Academic Committee Member</p>
<p>7.</p>	<p>ICT/Law</p>  <p><u>Clarah Jepkosgei Kimeli</u> Profession: Advocate</p>	<p>Date of Birth: 23/9/1981</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Postgraduate masters in Law • Postgraduate Diploma in Law • Bachelor of Law degree <p>Work Experience:</p> <ul style="list-style-type: none"> • Legal Counsel – Parliamentary Service Commission • Legal Officer – Constituencies Development Fund Board • State Counsel- State law officer – Civil legislation department <p>Legal Assistant – Nyachiro Nyagaka & Company Advocates</p> <p>Audit and Risk Committee member</p>





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<p>8.</p>	<p>BOG Secretary/Principal</p>  <p><u>Jeniffer Wambui Gachago</u> Profession: English Literature</p>	<p>Date of Birth: 4/10/1967</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Master’s in Education Planning and Administration -Currently • BED Arts • <p>Work Experience:</p> <ul style="list-style-type: none"> • Principal – Kigumo Technical and Vocational College • Deputy Principal – Kajiado TVC • Subject Head Teacher – Machakos TTC • HOD – Utumishi Academy
<p>9.</p>	<p>Board Member (CDTVET)</p>  <p><u>Mr. Charles Nyota</u> Profession: CDTVET</p>	<p>Date of birth:10/10/1970</p> <p>Academic Qualifications: Masters in computer Science</p> <p>Work experience: Quality Assurance office for 20 years</p>



4. Key Management Team

SN.	Member	Details
1.	<p>Principal –Kigumo TVC</p>  <p><u>Jeniffer Wambui Gachago</u> Profession: English Literature</p>	<p>Principal and Secretary to Board of Governors Kigumo TVC. She is in charge of daily management of Kigumo TVC and also the Accounting Officer.</p>
2.	<p>Deputy Principal Academics</p>  <p><u>Daniel Njoroge Muhia</u> Profession: Electrical and Electronics Engineer</p>	<p>Deputy Principal and in charge of academic affairs</p>
3.	<p>Deputy Principal Administration</p>  <p><u>Samson Muroko Mumo</u> Profession: Agriculturist</p>	<p>Deputy Principal Administration</p>



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4.	 <u>Catherine Kalee King'esi</u> Profession: Secretarial Studies	Registrar
5.	 <u>Patrick Kiambi</u> Profession: Applied Biology	Dean of Students
6.	 <u>Ephantus Mwangi Kimani</u> Profession: Information Communication Technology	Head of Informatics and Computing Department.
7.	 <u>Henry Koros</u> Profession: Finance	Head of Business Studies & Entrepreneurship Department.

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8.	 <p><u>Peter Wanjohi</u> Profession: Electrical and Electronics Engineering</p>	Ag. Head of Electrical and Electronics Department.
9.	 <p><u>Brian Ogada</u> Profession: Water Technology</p>	Ag. Head of Building Department

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<p>10.</p>	 <p>Alice M. Irungu Profession: Hair Dressing and Beauty Therapy</p>	<p>Head of Hospitality Department.</p>
<p>11</p>	 <p>Nancy Wangari Wanjiru Profession: Accounting/Finance</p>	<p>Finance Officer</p>

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5. Chairperson's Statement

On behalf of the BOG, management, staff and students of Kigumo TVC I would like to thank the government through the Cabinet Secretary Ministry of Education for giving me the opportunity to serve in this great institution.

In the financial year 2024/2025 the board achieved the following-:

- ❖ Acquired Equipment's and materials for all departments
- ❖ Acquired MIS system
- ❖ Did land scaping
- ❖ Acquired the college Public Adress.
- ❖ Installation of CCTV cameras
- ❖ Participated in various KATTI activities at both the regional and national levels.
- ❖ Increased student's enrolment

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

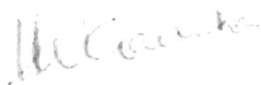
The board envisages continuing growing the institute and look ahead to:

1. Construct Hostels
2. Construct mechanical and building workshop
3. Construct tuition block
4. Construct water reservoirs
5. Install CCTV cameras for additional security
6. Increase acreage of the college
7. Carry out a tracer study on our graduates

The college has witnessed significant growth of the institute assets that has promoted a good training environment for both trainers and trainees. In this regard, I wish to thank the members of the board who have provided useful insight to the college management making it possible to collectively make progress.

The board remains committed to building on the foundation laid down so far and will work closely with the KTVC top management team in order to realise further development. The board is pleased with efforts of the KTVC key management personnel to ensure prudent management of resources. I thank the government for its financial support so far that has made it possible to implement the KTVC functions and programmes and also enabled the college to increase its enrolment within the year under review.

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



Mrs. Hazel W. Gachunga
BOG Chairperson

6. Report of the Principal

Kigumo Technical and vocational college is a tertiary institution that is located in a serene conducive environment to offer quality and relevant training to her graduates. The courses are tailored to ensure we channel out competent labour force to ensure they contribute effectively to the attainment of the country's Vision 2030 strategic objectives. In furtherance of our mandate, we have committed ourselves to consistently and regularly review, improve and consolidate our academic programs so as to remain competitive in terms of quality and relevance, and address the needs of the society.

Under the guidance of the Board of Governors, we aim to set up structures and policies aimed at guiding the institution in the right strategic direction mainly the implementation of integrated management systems based on ISO 9001:2015 (QMS)) and performance contracting in partnership with the government. Under my leadership and the overall direction of the Institute's Board, we were able to ensure that financial resources were utilized efficiently and effectively for optimum result. Despite the many challenges brought about by economic constraints, the Institute nevertheless continued to discharge its mandate of training, research and outreach programmes.

The institution had a student population of 404 in its first year since it was open early under the year of reporting. Furth more, the institute have 9 teaching staff and 4 non- teaching.

The challenges experienced by the Institution

- i) A grant that is capped at sh 500,000 is inadequate more so considering the hike in prices of the good and services in the economy.
- ii) Some of the resource mobilization initiative has not initiated and this resulted in shortfall of our A.I.A.
- iii) Being institution is new and small and competing with the stable Tertiary institution it has affected student enrolment in the institution.

Risk Management

The institution has put in place a robust risk management strategy. This involves a quarterly review of the risks the institution faces and developing mechanisms to mitigate them. In addition, the institution has ensured a strict adherence to statutory requirements.

Future Development

- i) To implement performance contracting in conjunction with the Ministry of Education
- ii) Emphasis on the Green Environment Concept so as to incorporate environmental sustainability and efficiency. In addition, there will be greater effort in building the capacity of its human resource so as to achieve a sustainable future through training, research, innovation and community outreach.
- iii) Development of new facilities and infrastructure as well equipping them as this will enable conducive serene environment for training, research and staff development.
- iv) Enhancing ICT infrastructure to support online job creations for our graduates.

Projects Undertaken

During the Financial Year under review: -

- ❖ Acquired Equipment's and materials for all departments
- ❖ Acquired MIS system
- ❖ Did land scaping
- ❖ Acquired the college Public Adress.
- ❖ Installation of CCTV cameras
- ❖ Participated in various KATTI activities at both the regional and national levels.
- ❖ Increased student's enrolment

I believe that our graduates undergo the best training that equips them with the necessary skills that strategically aligns them with opportunities within the country, regionally and globally; while at the same time contributing to the realization of the bottom-up economy agenda. That is (Agriculture, Micro, Small and Medium Enterprise (MSME), Housing and Settlement, Healthcare and Digital Superhighway and Creative Economy).

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Kigumo Technical and vocational college being a Tertiary institution desire to enhance its visibility, performance, and competitiveness in the tertiary education sector in the face of stiff competition

On behalf of the Institute Board of Governor and the top management, I take this opportunity to thank the Government for its unequivocal support during the year under review. I also appreciate the financial, material and moral support of stakeholders, collaborators, partners and friends during the year. It is because of the understanding and guidance of the Chairman of the Board as well as the cooperation of the Management team, all staff and our trainees that we ended the year within an environment of peace and stability. I wish to register my sincere gratitude to them all.



Mrs Jeniffer W. Gachago
Principal/ Secretary BOG

Kigumo Technical and Vocational College
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7. Statement of Performance against Predetermined Objectives

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

Kigumo Technical has 6 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2024-2025. These strategic pillars are as follows:

Pillar/ theme/issue 1: Access and equity

Pillar/ theme/ issue 2: Diversified training programs

Pillar/ theme/ issue 3: Institutional corporate governance/management

Pillar/ theme/ issue 4: Adequate, competent and highly motivated staff

Pillar/ theme/ issue 5: Collaborations and linkages

Pillar/ theme/ issue 6: Infrastructure

Kigumo Technical and vocational College develops its annual work plans based on the above six pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. Kigumo TVC achieved its performance targets set for the FY 2024/25 period for its 6 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Access and equity	To enhance access and equity to quality TVET training	-Improve and expand training facilities -Sensitize trainees on alternative sources of financial support -Enhance career guidance and counselling services -Introduce short market-driven courses	-Develop a plan for construction and maintenance of physical infrastructure -Hold Sensitization forums -Identify and offer short market driven courses	-Infrastructure constructed /maintained -Number of trainees benefited from alternative sources of funding -Number of short courses identified and included in training program
Diversified training programs	To Increase student Enrollment	-Determine the market training needs -Assess training programmes the strengths and weaknesses of current -Registration of all C-BET Courses by TVETA and TVET-CDACC -Advertise in Print and electronic media and other forums -Promote and upgrade Institute's website Erect and update Bill Boards	- Market survey Report on training needs - Review reports - All C-BET courses registered and approved by TVETA and TVET C-DACC	Increased Enrolment

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Institutional corporate governance/management	Establish/review institutional policies, strategies and programs that are responsive to effective governance and management of TVET.	Reviewed institutional policies, strategies and programs	Quality Policy, Service Charter, Organization structure, HIV/Aids, Drug and substance Abuse, Safety measures, Gender mainstreaming, Disability Mainstreaming Affirmation policies, Academic Policy, Students Council constitution	Reviewed institutional policies, strategies and programmes.
Adequate, competent and highly motivated staff	To enhance Human resource.	Determine manpower requirements.	Manpower requirements report	Manpower requirements determined
Collaboration and linkages	To enhance collaborations and linkages	Develop and implement TVET exchange programmes	Exchange programmes developed and implemented	Number of exchange programs developed and implemented
Infrastructure	To upgrade infrastructure.	Conduct an audit of the existing infrastructure and equipment and determine the gaps Develop a framework for improving and increasing physical facilities Renovate and rehabilitate workshops, Tuition rooms, offices, washrooms	Audit report Framework in place workshops, Tuition rooms, offices, washrooms renovated and rehabilitated	Infrastructure gaps identified Framework developed workshops, Tuition rooms, offices, washrooms renovated and rehabilitated

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8. Corporate Governance Statement

During FY 2024/2025, there was 66% eligible attendance at all meetings of the Board.

The following table shows the number of meetings held during 2024/2025, the attendance of each Member;

Name	13 th September 2024 (finance committee)	20 th September 2024	24/1/2025 (Academic Committee)	28 th February 2025 (Audit Committee)	14 th March 2025 (Audit Committee)	27 th May 2025	12 th June 2025	18 th June 2025 (Finance Committee)	27/6/2025	Total meetings
Ms. Hazel W. Gachunga-Current BOG Chairperson	-	-	-	-	-	Present	Present	-	Present	3
Ms. Jane Wangari	-	Present	-	-	-	Present	Present	Present	Present	5/5
Ms. Clarah Jepkosgei	-	-	-	Present	Present	Present	-	-	Present	3/5
Mr. Galgallo Halakhe	-	-	-	-	-	Present	-	-	-	1/5
Mr. Raphael Sinoyia	-	Present	-	Present	Present	-	Present	-	Present	5/5
Mr. Harun Thuo	-	-	Present	-	-	Present	Present	Present	Present	5/6
Rev. George Kahuho	Present	Present	-	-	-	Present	-	Present	-	4/5
Monicah Njeri Muiruri	-	Present	Present	-	-	Present	Present	-	Present	5/5
Charles Nyota (TVET Director)	-	-	Present	-	-	-	-	-	-	1/5

NOTE

- 1) There 4 full board meetings and 5 committee meetings
- 2) Board charter exists at the moment.
- 3) Succession plan is after 3 years.

On Board of Governors appointment and tenure of office, removal, the process starts from: -

- 1) Establishing the expiry of the current Board of office (6 months before its term of office comes to an end.
- 2) Then a committee is constituted to nominate a new BOG. This panel is chaired by the County Director TVET. other members to the nomination panel are: -

- (i) Principal
- (ii) County Commissioner to represent GOK.

- (iii) Sponsor in case the Institution is sponsored.
- (iv) The Area M.P or his Representative.

The above committee nominates a maximum of 21 members, 3 per category as prescribed in the areas of specialization and then the list is sent to the Ministry for verification and appointment of a BOG.

The BOG is normally appointed for a term of 3 years, after which to ensure continuity of the Institutional memory 1/3 of the past members are retained.

REMOVAL OF BOG MEMBER/MEMBERS

A Board member may be removed for the following reasons: -

- (1) Failing to attend 3 consecutive meetings without a valid reason.
- (2) Major conflict of Interest
- (3) By tendering his resignation to the appointing authority.
- (4) Failing to take up his position as an appointed BOG.
- (5) Being declared Bankrupt by a Court of law.

RULES AND FUNCTION OF BOARD OF GOVERNORS

The Board of Governors is normally appointed for a term of 3 years after which the Board expires. However, in constituting a new BOG a 1/3 of the members are retained for the sole purpose of Institution memory.

The role and function of the Board of Governors are therefore: -

- 1) Attend to all scheduled BOG meetings.
- 2) Discuss and formulate institutional policies on staff recruitment and promotion.
- 3) Identify in consultation with the principal the recruitment of all PSC trainers and BOG employees and therefore recruit them.
- 4) Reprimand or recommend for interdiction of non-performing PSC & BOG Employees.
- 5) Formulate policies on revenue generation, utility and account for it to the Public through the Auditor General.
- 6) Link with all relevant ministries, agents and stakeholders to promote the importing of relevant and technological skills.
- 7) Link with industries for the purpose of attaching the students.
- 8) Maintaining proper inventory of its property and assets through a Register/inventory.
- 9) Performing supervision role or oversight role on the management of the Institution and advising appropriately.
- 10) Maintaining a motivated workforce as well as a secure environment to work in.

INDUCTION OF THE BOARD OF GOVERNORS

Once a BOG has been appointed, it's the responsibility of the Principal to liaise with the County Director and the Ministry to ensure that the BOG is inaugurated and inducted on its core mandate. In conjunction with the Principal and the Ministry, the Board is supposed to be trained on the current trends in the training, Industry to make it relevant and vibrant.

BOARD OF GOVERNORS REMUNERATION

The Board of Governors is paid some sitting allowances and other allowances depending on the strength or financial ability of the Institution to sustain the payments. It's purely based on realistic and affordable rates.

The payments also vary from Institution to another base on their financial resources.

9. Management Discussion and Analysis

Kigumo Technical and vocational college operational and financial performance.

Kigumo Technical and vocational college reported a surplus of Ksh 3,121,868 as at 30th June 2025 in its third year of operation. The impressive performance is as a result proper utilisation of the money disbursed through government grants, Government Scholarship, HELB Loans and fee collection. The institute forecast that its cash flows will improve in the long run so as to enable expansion of the institution in terms of infrastructure. Furthermore, the country is expected to experience exponential growth and the institute expects to have an increase in the student enrolment in the subsequent intakes, which will form a solid base of growth as well as initiating IGA programmes.

Pertaining to trends within the Education sector, University, Tertiary and secondary school sponsor, guardians have been affected by the high cost of living and this affected students to enrol for Technical Education.

The Institute has developed infrastructure and facilities and strives to improve so as to provide quality technical education. Moreover, the institute is implementing resource mobilization strategies' so as to enhance its A.I.A. During the year ended June 2025, the Institution has 491 students.

Kigumo TVC management foresee the growth in terms of student population and the management is pursuing additional funding and technical support from Government agencies and development partners. In the Institution level, program-based budgeting is effective as financial control. This serves to ensure that the Institution allocates resources based on planned and prioritized activity. This means that the cost of each activity will be traced to the product or service as per the Institution plan. To further enhance service delivery through effective financial management, the Institute will concentrate on eliminating wastages.

In this regard, the Institution will lobby and mobilize financial resources for Technical Training, innovation and creativity.

i. Government Funding

During the financial year 2024-2025, the operations of the institution were done effectively although some trainees under the new funding model did not receive Government Scholarship.

ii. Student fees

Management aims to strengthen fees collection so to improve its revenue collection. Furthermore, institution was able to operate smoothly in its core mandate as well paying its supply on time as well as meeting its current obligation in time.

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MANAGEMENT DISCUSSION AND ANALYSIS(Continued)

GENERAL ADMINISTRATION RISKS						
TOP MANAGEMENT						
Risk No.	Name of The Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsible
1.	Funding risks	3	4	12	<ul style="list-style-type: none"> ➤ Enhance fees collection ➤ Income generating project ➤ HELB/NGCDF funding ➤ Government Scholarship 	Principal, Deputy Principal, Finance Officer
2.	Loss of funds	4	4	16	<ul style="list-style-type: none"> ➤ Use of biometric Exam cards ➤ Class attendance register ➤ Use of approved budget 	Principal, FO HOD
3.	Political risk	3	4	12	<ul style="list-style-type: none"> ➤ Consultative meeting ➤ Recruitment on regional balance ➤ Engage them on projects 	Principal, FO, Dp Principal
4.	Reputational Risk	4	4	16	<ul style="list-style-type: none"> ➤ Quality Assurance (External results) ➤ Maintain of discipline ➤ Relationship with media 	Principal, HoDs, QA Internal Auditor
5.	Litigation Risk	3	4	12	<ul style="list-style-type: none"> ➤ Comply to regulatory and statutory rules ➤ Use of qualified personnel ➤ Use of established mechanism 	Principal, Finance Officer HoDs, Legal expert
6.	Data and information insecurity due to: malware, power failure and cyber attack	1	4	4	<ul style="list-style-type: none"> ➤ Acquire UPS ➤ Regular Backup of payroll & personnel information ➤ Use of password ➤ Firewall 	HR/SA
7.	Poor Workplace culture	4	3	12	<ul style="list-style-type: none"> ➤ Adherence of the HR policies ➤ Code of conduct 	Principal

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Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsible
					➤ Sensitization of work place culture and diversity	
SECURITY						
OBJECTIVE: To ensure security of Kigumo Technical and Vocational College is maintained at all times.						
8.	Theft of properties in the institute	4	4	16	<ul style="list-style-type: none"> ➤ CCTV surveillance ➤ Perimeter fence ➤ Hire and maintain security officers ➤ Where necessary put items under lock and key ➤ Burglar proof offices 	Principal, Deputy Principal, Finance Officer, HODS
9.	Terrorists attack	3	5	15	<ul style="list-style-type: none"> ➤ Screening at the gate ➤ Security checks of persons and vehicles ➤ Use of biometric system ➤ Reporting of suspicious characters for interrogation 	Principal, Deputy Principal, HODS
10	Business disruption	4	5	20	<ul style="list-style-type: none"> ➤ In case of covid 19, adhere to MOH protocols, closure of institution. In case of fire, we shall install firefighting equipment and firefighting practices and fire drills. ➤ In case of strike, we involve government security personnel, closure of school and create awareness of consequences. ➤ In case of an epidemic, we collaborate with MOH 	Principal, Deputy Principal, HODS
11	Loss of Information security	4	4	16	<ul style="list-style-type: none"> ➤ Use clear screen and desk practice ➤ Use password on computers ➤ Use lockable cabinets ➤ Inculcate personal discipline 	Principal, Deputy Principal, HODS
12	Over use of hired goods	3	2	6	<ul style="list-style-type: none"> ➤ Make a bidding contract with the customer on duration of use and stipulate measures to recover by surcharging. 	-Principal -Deputy Principal -Finance Officer
FINANCE DEPARTMENT:						

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OBJECTIVE: Ensure prudent management of institute's financial resources by 30th June 2024

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
13	Delay in payment of supplies	2	2	4	-Segregation of duties -Ensure invoices are submitted upon delivery of good	Principal P.O F.O
14	Delay in payment of salary	2	2	4	-Ensure payment of salary is done before 3 rd of proceeding month	Principal F.O
15	Delay in submission of statutory deduction	1	3	3	-Ensure payment of statutory deduction is done as stipulated	Principal F.O
16	Uncollected revenue	3	3	9	-Lobby with government bodies -Use of exam cards -Use of biometric -New admission upon 100%fee payment	Principal F.O
17	Intrusion into system	1	5	5	-Creation of user accounts -Use of password	Principal FO
18	Lack of cohesion among students	3	3	9	➤ Sensitization of students on national cohesion ➤ Intensify sporting activities	Dean of students
19	Chemical burns from cleaning agents	2	3	6	➤ Train on proper use and handling of chemicals ➤ proper labelling of chemicals	House keep
20	High cleaning staff turn over	3	3	9	➤ Provide good working tools and equipment ➤ Provide good personal protective equipment ➤ conducive /good staff welfare	House keep HR
21	Negative image (due to dirty floor and surfaces)	3	4	12	➤ Duty allocation ➤ Develop a time plan for cleaners ➤ Have a check list for supervision	House keeper/Dep y principal Adm.

SPORTS AND RECREATION

Objective: To identify and nature talented students in sports and games.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
22	Loss of sports equipment	2	2	4	➤ Maintaining key registers ➤ Stores office under lock and key always	-Sports offic -Principal

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					<ul style="list-style-type: none"> ➤ Lockable boxes ➤ Issuance register ➤ Sensitization 	
23	Injuries during games	2	2	4	<ul style="list-style-type: none"> ➤ Sensitization on safety during games 	Principal Sports office
24	Lack of playing fields	4	4	16	<ul style="list-style-type: none"> ➤ Request for alternative playground ➤ Hire playgrounds when need arise 	Principal Sports office
25	Incompetent coaches	4	4	16	<ul style="list-style-type: none"> ➤ Capacity building of coaches through training ➤ Expose the coaches in practical aspects 	Principal DP Principa
26	In adequate sporting equipment	3	3	9	<ul style="list-style-type: none"> ➤ Budget for acquisition of sports equipment ➤ Seek for partnership and sponsorship from stakeholders 	Sports office DP Principa

GUIDANCE AND COUNSELLING

OBJECTIVE: Provision of guidance and counseling services to students.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
27	Conflict of interest due to Dual relation	4	3	12	<ul style="list-style-type: none"> ➤ Segregation of duties ➤ Scheduled counseling forum ➤ Peer counselor's sensitization forum 	G&C Coordinator
28	Inadequate G&C skills	2	2	4	<ul style="list-style-type: none"> ➤ Capacity building on trainers and peer counselors 	G&C coordinator
29	Inadequate funding	3	3	9	<ul style="list-style-type: none"> ➤ Adequate budget 	Principal
30	Unauthorized access to confidential information	1	4	4	<ul style="list-style-type: none"> ➤ Coding of clients ➤ Key management 	G&C Coordinator
31	Inadequate funding	3	3	9	<ul style="list-style-type: none"> ➤ Adequate budget 	Principal Finance Officer

ICT SUPPORT

OBJECTIVE: To support effective ICT operations within the institute.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
32	Attack by malware such as computer viruses, worm	3	3	9	<ul style="list-style-type: none"> ➤ Install updated antivirus ➤ Limit software installation to ICT personnel only 	HOD ICT Support ICT Technici
33	Loss of departmental data.	4	2	8	<ul style="list-style-type: none"> ➤ Backup of critical data 	HOD ICT Support

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					<ul style="list-style-type: none"> ➤ Controlled access to server/ main office computers. ➤ Use of firewall 	ICT Technici
34	Unauthorized access to the institute systems	4	3	12	<ul style="list-style-type: none"> ➤ Use of username and password for all users accounts ➤ Train user on how to safe guide critical login data ➤ Use of firewall 	HOD ICT Support ICT Technici System end Users
35	Out-dated software's and hardware's	2	4	8	<ul style="list-style-type: none"> ➤ Continues upgrading of software/ hardware 	HOD ICT support Principal
36	Computer damage due to human/ electrical problems.	3	3	9	<ul style="list-style-type: none"> Proper cabling of computing devices Use of power guards and surge protectors Use backup battery for server computer Limit hardware repair to ICT personnel only. Repair and maintenance schedule per term for all computing devices 	HOD ICT Support ICT Technici

PROCUREMENT

OBJECTIVE: Ensure that procurement of public goods and services is done as per the compliance laws and regulation and also accordance with a system which is fair, competitive, transparent, equitable and cost effective.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsible
37	Delay in timely provision of essential services due to late approvals and delayed supplies	2	3	6	Timely approval	P.O FINANCE OFFICER
38	Substandard or poor-quality services	2	3	6	Inspection and acceptance committee put in place project supervision Supplier reviews	PRINCIPAL P.O
39	Compliance risk	2	3	6	Adherence to laws and regulation in procurement	PRINCIPAL F.O
40	Overstatement or understatement of the need	3	3	6	Preparation of proper budgeting	H.O.D'S
41	Lack of procurement plan	1	5	5	Preparation of proper procurement plan	H.O.D'S P.O FINANCE OFFICER

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DEPUTY PRINCIPAL						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
42	Poor lecture attendance by trainers	3	4	12	Enhance on trainers' daily attendance register. Enhance use of lecture attendance forms Enhance monitoring through spot checks	Dp Principal Academic HODS Class Reps
43	Constant changes in the institutional timetable	4	2	8	Timely replacement & recruitment of trainers Properly prepared and validated workload. Appoint and train adequate timetablers	Dp Principal HOD'S HR
44	Delay in recruitment of trainers	4	4	16	Enhance timely requisition of trainers. Enforce early recruitment. Maintain a data base for potential trainers	HOD HR
45	Unauthorized interference with the institutional timetable	3	4	12	Enhance use of password policy to limit unauthorized access. Have lockable timetable noticeboards.	Dp Principal
46	Failure to achieve the set performance target.	3	4	12	Enhance monitoring Follow up on exam analysis recommendations Conduct regular Academic meetings. Introduction of Departmental Academic Excellence trophy.	Dp Principal
ICT DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility

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47	Inadequate teaching staff	3	3	9	-Requisition of additional trainers -Online teaching	-H.O.D
48	Class Attendance Absenteeism	3	3	9	-Class attendance Register -Sensitization meetings	H.O.D
49	Assessment Absenteeism	3	3	9	-Awareness --Sensitization meetings	H.O.D
50	Late preparation/submissions of teaching documents	3	3	9	-Effective communication --Sensitization meetings	H.O.D
51	Low enrolment	3	3	9	-Marketing -Publicity	H.O.D

BUILDING DEPARTMENT

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
52	Unattended classes	3	3	9	➤ Monitoring lecturer attendance register ➤ Close monitoring of lectures attendance	HOD
53	Inadequate skills in some trainers	2	2	4	➤ Capacity building sessions for trainers	HOD
54	Inadequate staff(trainers)	3	3	9	➤ Lobbying for more trainers	HOD
55	Pilferage in the workshops	3	3	9	➤ Install surveillance cameras ➤ Additional technician ➤ Surcharging the culprits	HOD
56	Inadequate learning equipment in the workshop	3	3	9	➤ Arranging the learners in groups when in the workshop ➤ Lobbying for more learning equipment	HOD

EXAMINATION OFFICE

OBJECTIVE: Evaluation of the curriculum

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
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57	Exams malpractice	3	3	9	<ul style="list-style-type: none"> ➤ Invigilation ➤ Structural Arrangements in the Exams Rooms ➤ Punishing the Offenders ➤ Enough Revision ➤ Adequate Syllabus Coverage ➤ Training in Ethics and Integrity ➤ Holding Rehearsal Days 	<ul style="list-style-type: none"> • Principal • Examinations Officer • Supervisors • Invigilators
58	Invigilator does not turn-up or lack of invigilator	4	3	12	<ul style="list-style-type: none"> ➤ Automate Timetabling of Internal Exams ➤ Create Invigilator Timetables ➤ Employ Emergency Invigilator(s) ➤ Examinations Office to Cover ➤ Discipline the Offenders 	<ul style="list-style-type: none"> • Principal • Examinations Officer
59	Wrong registration of candidates for national examinations	2	3	6	<ul style="list-style-type: none"> ➤ Candidates Signs the Nominal Roll after Verifying the Correctness of their Registration Details ➤ Candidates Write Exams as Under – Protest ➤ Write an Official Letter to KNEC informing them of the Wrong Registration ➤ Candidates indicate their Course and Module on The KNEC Result Slip 	<ul style="list-style-type: none"> • Principal • Examinations Officer • Academic HODs

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					Being Used for Registration	
60	Receiving inaccurate entry of information and non-adherence to examinations timelines	4	3	12	<ul style="list-style-type: none"> ➤ Subject Teachers/HODS ensure Entry Check-Lists are Correct and are submitted on Time. ➤ Discipline The Offenders 	<ul style="list-style-type: none"> • Principal • Examinations Officer • Academic HODs
61	Access of exam information by unauthorized users	3	2	6	<ul style="list-style-type: none"> ➤ Acquire enough door keys for every Authorized User ➤ Create Passwords when Booting Computers ➤ Create Passwords on every Folder/File created ➤ Create, Fill and File Record Control Sheets as is Appropriate 	<ul style="list-style-type: none"> • Principal • Examinations Officer

INDUSTRIAL LIAISON OFFICE

OBJECTIVE: To ensure quality training through industrial attachment.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
62	Lack of placements for trainees.	3	3	9	<ul style="list-style-type: none"> ➤ Collaboration with industries ➤ Create awareness ➤ Database for industrial contacts 	ILO
63	Failure to assess some students on attachment.	3	3	9	<ul style="list-style-type: none"> ➤ Sensitization of trainees 	ILO
64	Indiscipline of students on attachment.	3	2	6	<ul style="list-style-type: none"> ➤ Sensitization of students ➤ Introduce commitment form 	ILO

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65	Accidents on the trainees while on attachment.	2	2	4	<ul style="list-style-type: none"> ➤ Awareness on safety precautions ➤ Provide insurance covers to trainees 	
66	Unauthorized access for office files (hard copies of information).	2	2	4	<ul style="list-style-type: none"> ➤ Provide lockable door ➤ Provide lockable cabinets ➤ Clear the desk, clear the screen 	

LIBRARY.

OBJECTIVE: To ensure access of quality and up-to-date academic course and reference materials in the institute

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/Risk Level	Mitigation Control	Responsibility
67	Theft of library materials	4	3	12	<ul style="list-style-type: none"> ➤ Installation of CCTV Cameras ➤ Installation of security systems ➤ User sensitization ➤ Stamping 	Librarian FO
68	Wearing and tearing of library materials	2	2	4	<ul style="list-style-type: none"> ➤ Putting book covers ➤ Maintain cleanliness ➤ Dusting 	Librarian
69	Obsolete materials	2	2	4	<ul style="list-style-type: none"> ➤ Frequent acquiring of materials ➤ Use of E-Books 	Librarian HODs
70	Misplacing/Mis-shelving of library materials	2	2	4	<ul style="list-style-type: none"> ➤ Proper shelving ➤ Proper marking of shelves 	Librarian
71	Mutilation of library materials	3	2	6	<ul style="list-style-type: none"> ➤ Fine the offenders ➤ Replacement of book if badly mutilated ➤ User sensitization 	Librarian

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

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

The triple Bottom Line concepts analyse the sustainability of an organization based on three concepts: Profits, people (social) and Planet (environment).

Profit: The institute has benefited greatly through the financial Support received from national government through NGCDF, NGAAF, HELB, grants and capitation. This has led to improved and expanded infrastructure thus resulting in increased student enrolment.

Social: Devolution system of Government has contributed to the increased demand for skills at the county level hence increased student enrolment. This has a direct positive impact to the community around the institution.

Environmental: The Board of governance has plans to undertake an environmental sustainability audit and develop an environmental policy to address the issues of environmental sustainability that will be identified during the audit.

Category	Issue(s)	Description of effect	Action to mitigate
Political	Favourable Political situation	<ul style="list-style-type: none"> ➤ Increased student enrolment ➤ Conducive learning environment 	<ul style="list-style-type: none"> ➤ Surveillance and intelligence on potential risks
	Devolution system of Government	<ul style="list-style-type: none"> ➤ Demand for skills at the county level hence increased student enrolment 	<ul style="list-style-type: none"> ➤ Lobby/ Create linkages with the County Governments.
	Financial Support from national government through NGCDF, NGAAF, HELB, grants and capitation.	<ul style="list-style-type: none"> ➤ Improved and expanded infrastructure ➤ Increased students' enrolment 	<ul style="list-style-type: none"> ➤ Prudent use of government funds ➤ Accountability in the use of available resources

Environmental performance

The institute has an environmental policy that provides a framework for: reducing negative environmental impacts such as such energy or water consumption, waste management or impacts on natural systems. Kigumo Technical and Vocational College has adopted the following.

- a) Waste segregation bins for ease disposal and further treatment / processing. This has resulted in an effective and sustainable waste management system and reduction of pollution
- b) Having an annual environmental awareness week and participation in college environmental activities spearheaded by the Nature Club. The year under report environmental awareness week culminated in planting trees within the communities surrounding the institution.

Energy conservation by use of ‘‘Turn off lights stickers’’ being mounted on switches all around the institution. The stickers were sensitizing the institute community on energy saving

Employee welfare

At Kigumo Technical and Vocational College, we integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviours of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We also seek to minimize our environmental impact and seek to enhance the amenity of residential communities.

We value our employees who are directly or indirectly involved in training of our students and contribute to their potential to bring positive social and environmental change. We value the contribution that individuals and external entities make to our Institute through community consultation process.

Kigumo Technical and Vocational has a HR Policy aims at ensuring best practices in the management of human Resources as well as improving the working conditions and their terms of service as this promotes efficient and harmonious work relations. The institute also adopts the policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

As per the government policy and Section 227 of The Constitution of Kenya, the institute has ensured that it complies with procurement regulations.

1. All procurement activities are carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.
2. The Institute has maintained and continuously updated a list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs

Kigumo Technical and Vocational College ensures that;

- i) Customers are provided with support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.
- ii) Proper communication channels e.g. Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers.
- iii) When doing procurement planning, the institute has complied with preference and reservation requirements.
- iv) Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the supplier and also avoiding of penalties that may arise from delayed payment.
- v) Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers

b) Responsible marketing and advertisement or Responsible engagement with the citizens.

The college has ensured it depicts truthfulness and transparency in advertising its services by avoiding misleading or manipulative tactics. It has also ensured clarity and respect for privacy and observing cultural sensitivity and accountability.

c) Product stewardship or Awareness Creation

The college has created awareness by educating students and the community to reduce risks to health, safety and the environment.

Corporate Social Responsibility / Community Engagements

The college engaged on corporate social responsibilities in the year under review, it carried out various CSR activities. These activities include:

- Tree planting
- Preparation of a Seedbed
- Collaboration with the area Member of Parliament for bursaries disbursements
- Assisting trainees with KUCCPS and HELB Loans application.
- Sensitizing the area chiefs and Assistant chiefs on the opportunities in TVETS and the Government funding under the new funding model.

a) School Environmental Awareness Programmes

The institute has embraced school environment programmes as tool of enhancing awareness creation on environmental conservation. The programme entailed creating awareness on environmental conservation among school children and community members. The students are taught how to plant trees seedlings to ensure higher survival rates and also to take care of them till maturity.

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11. Report of the Board of Governors

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

Principal activities

The principal activities of the college are to provide Technical, Vocational and Entrepreneurship Training (TVET) using appropriate technology to empower trainees for individual and national development

Results

The results of the college for the year ended June 30 2025 are set out on pages 1-5

Board of Governors

The members of the Board who served during the year are shown on page viii-xii.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Date:01/12/2025

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12. Statement of Board of Governors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the Board members to prepare financial statements in respect of that college, which give a true and fair view of the state of affairs of the college at the end of the financial year/period and the operating results of the college for that year/period. The Board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The Board members are also responsible for safeguarding the assets of the college.

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

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

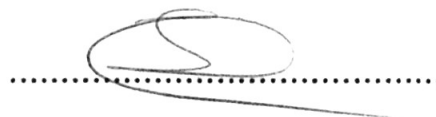
In preparing the financial statements, the Principal has assessed the college ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that the entity will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The College financial statements were approved by the Board on **2nd December 2025** and signed on its behalf by:



Hazel W. Gachunga
Chairperson of the Board



Jeniffer W. Gachago
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kigumo Technical and Vocational College set out on pages 1 to 38, which comprise of the statement of financial

position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kigumo Technical and Vocational College as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unrecorded Receipts in the Cash Book

The statement of financial position reflects cash and cash equivalents balance of Kshs.5,454,537 as disclosed in Note 15 to the financial statements. Review of the bank reconciliation statement for the month of June, 2025 revealed unrecorded receipts amounting to Kshs.87,305 in the bank statement but not yet recorded in the cashbook. These receipts dates back from June, 2024 to June, 2025.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balance of Kshs.5,454,537 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual receipts on comparable basis of Kshs.25,840,145 and Kshs.17,618,659 respectively resulting in an under-funding of Kshs.8,221,845 or 32% of the budget. Similarly,, the College spent Kshs.15,997,961 against actual receipts of Kshs.17,618,659 resulting in an under absorption of Kshs.1,620,698 or 9% of the actual receipts.

The under-funding and under absorption may have 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 judgment, are of most significance in the audit of the financial statements. Except for the effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Lawfulness and Effectiveness in the 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 matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Long outstanding student debtors
2	2023/2024	Long outstanding trade payables
3	2023/2024	Inaccuracies in assets
4	2023/2024	Inaccuracies in cash flows statements
5	2023/2024	Budget Control and Performance
6	2023/2024	Non compliance with law of ethnicity
7	2023/2024	Failure to identify and perform risk assessment
8	2023/2024	Lack of Controls in imprest management

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Long Outstanding Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.3,439,096 as disclosed in Note 20 to the financial statements. The amount includes Kshs.2,772,574 relating to Michuki National Polytechnic which has been long outstanding for more than two (2) years. Only Kshs.11,000 has been paid in the year under review. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

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

2. Long Outstanding Students Receivables

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.7,133,143 as disclosed in Note 16 to the financial statements. The amount includes receivables amounting to Kshs 3,876,577 that had been outstanding for over one (1) year. However, Management did not provide evidence of any recovery efforts or correspondence with the debtors to pursue collection of these long-outstanding amounts. This was contrary to Regulations 64 of the Public Finance Management (National Government) Regulations, 2015 which states that an Accounting Officer and a receiver of revenue are personally responsible for ensuring that— (b) adequate measures, including legal action where appropriate, are taken to obtain payment.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Weakness in Internal Audit and Audit Committee Functions

Review of the appointment letters, minutes of meetings, and personal files of the members of the audit and risk committee revealed that the College outsourced its internal audit function by engaging an external auditor to perform internal audit duties. Further, the Audit and Risk Committee had only two (2) members, which was contrary to the required minimum number of three (3) members of a committee. In addition, Internal audit reports were not provided for audit.

In the circumstances, effective oversight of internal audit function by the Audit and Risk Committee 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 Board of Directors

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 December, 2025

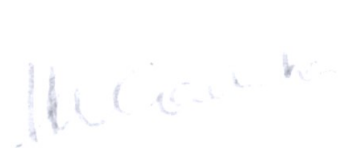
Kigumo Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities- Capitation & Operational grants	6	6,267,062	6,941,753
		6,267,062	6,941,753
Revenue from Exchange transactions			
Rendering of services- fees from students	7	17,561,969	17,101,571
Miscellaneous income	8	256,250	18,500
Revenue from Exchange transactions		17,818,219	17,120,071
Total Revenue		24,085,281	24,061,824
Expenses			
Use of goods and services	9	12,864,306	12,133,505
Employee costs	10	4,005,617	3,099,498
Board Expenses	11	668,350	1,218,600
Depreciation and amortization expense	12	2,969,904	1,634,388
Repairs and maintenance	13	300,236	77,111
IGA Expenses	14	155,000	
Total Expenses		20,963,413	18,163,102
Net surplus/(deficit) for the year		3,121,868	5,898,722

The notes set out on pages 7 to 34 form an integral part of the Annual Financial Statement.

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



Hazel W. Gachunga
Chairperson of Board

Date: 18/11/2025



Jeniffer W. Gachago
Principal

Date: 18/11/2025



Nancy W. Wanjiru
Finance Officer

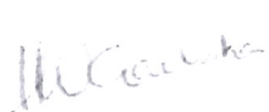
ICPAK No: ASSOC/4975
Date: 18/11/2025

Kigumo 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	15	5,454,537	7,239,177
Current portion of receivables from exchange transactions	16	7,133,142	6,911,977
Current portion of receivables from non- exchange transactions	17	0	499,828
Inventories	18	2,286,541	
Total Current Assets		14,874,220	14,650,982
Non-Current Assets			
Property, plant, and equipment	19	64,875,499	60,926,065
Total Non-Current Assets		64,875,499	60,926,065
Total Assets (A)		79,749,719	75,577,047
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	20	3,439,096	5,335,280
Refundable deposits from customers	21	258,858	194,138
Total Current Liabilities		3,697,954	5,529,418
Total Liabilities (B)		3,697,954	5,529,418
Net Assets (A-B)		76,051,765	67,377,609
Represented By:			
Accumulated Surplus		12,596,864	9,474,996
Capital Fund		63,454,901	57,902,613
Net Assets		76,051,765	67,377,609

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



Chairperson of Board
Hazel W. Gachunga

Date: 01/12/2025



Principal
Jeniffer W. Gachago

Date: 01/12/2025



Finance Officer
Nancy W. Wanjiru
 ICPAK No: ASSOC/4975

Date: 01/12/2025

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

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

Description	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	3,576,274	-	58,931,238
Surplus/(deficit) for the year	5,898,722	-	5,898,722
At June 30, 2024	9,474,996	57,902,613	67,377,609
Surplus/(deficit) for the year	3,121,868	-	3,121,868
At July 1, 2024	9,474,996	57,902,613	67,377,609
Surplus/(deficit) for the year	12,596,864	63,454,901	76,051,765
At June 30, 2025			

Kigumo 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 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	6,267,062	6,441,925
Rendering of services- fees from students		11,095,347	12,041,298
Miscellaneous income		256,250	18,500
Uncredited cheques		14,000	
Total Receipts		17,632,659	18,501,723
Payments			
Use of goods and services		11,005,583	9,823,783
Employee costs		3,868,792	2,962,673
Board Expenses		668,350	958,600
Repairs and maintenance		300,236	77,111
IGA Expenses		155,000	0
Total Payments		15,997,961	13,822,167
Net Cash Flows from operating activities		1,634,698	4,679,558
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(3,419,338)	(711,704)
Net cash flows used in investing activities		(3,419,338)	(711,704)
Net Increase/(Decrease) in Cash and Cash equivalents		(1,784,640)	3,967,854
Cash and Cash equivalents at 1 JULY 2024	15	7,239,177	3,271,323
Cash and Cash equivalents at 30 JUNE 2025	15	5,454,537	7,239,177

Kigumo 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	Note
	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	5,850,000	-	5,850,000	6,267,062	-417,062	107%	a
Rendering of services- fees from students	19,930,145	-	19,930,145	11,095,347	8,834,797	56%	b
Miscellaneous Income	60,000	-	60,000	256,250	-196,250	427%	c
Total Receipts	25,840,145	-	25,840,145	17,618,659	8,221,485	68%	
Payments					0		
Use of goods and services	12,014,085	-	12,014,085	11,005,583	1,008,502	92%	d
Employee costs	4,500,624	-	4,500,624	3,868,792	631,832	86%	e
Board Expenses	1,126,000	-	1,126,000	668,350	457,650	59%	f
Repairs and maintenance	333,475	-	333,475	300,236	33,239	90%	g
IGA expenses				155,000	-155,000		
Total Expenditure Payments	17,974,184	-	17,974,184	15,997,961	1,976,223	89%	
Capital Expenditure Payments	7,865,961	-	7,865,961	3,419,338	4,446,623	43%	
Surplus	0	-	0	-1,798,640			

Budget notes

- a) **Transfers from other National Government entities:** The college had not budgeted for recurrent grants.
- b) **Rendering of services- fees from students:** There was poor disbursement from Helb and government scholarship.
- c) **Miscellaneous Income:** The college introduced short courses that it had not anticipated for in the budget and engaged in construction of desks and chairs which was not budgeted for.
- d) **Use of goods and services:** The college did not exhaust the amount budgeted in the vote head due to lack of funds by delayed government disbursements.
- e) **Employee costs:** The college its trainers on a 3-month contractual basis
- f) **Board Expenses:** Most of the board committees were being convened within the financial year hence held one meeting each.
- g) **Repairs and maintenance:** There were minimal repairs carried out during the year.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	-1,798,639
1	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	-1,798,639

19. Notes to the Financial Statements

1. General Information

Kigumo TVC is established by and derives its authority and accountability from TVET Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide quality and innovative Vocational training that will strengthen the economy and impact Communities.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the college accounting policies. There are no areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the college. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. The college was not affected by the change in the standard
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. The college was not affected by the change in the standard.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. The financial statements has been prepared in accordance with the standard.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

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

	<ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>The financial statements has been prepared in accordance with the standard.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The financial statements has been prepared in accordance with the standard.</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> <p>The financial statements has been prepared in accordance with the standard</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> <p>The college was not affected by the change in the standard</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <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 entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements

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	understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. The college was not affected by the change in the standard
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iii. Early adoption of standards

The college did not adopt any new or amended standards in the financial year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on **23rd May 2024**. The college 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 entity is exempt from paying taxes as per as per first schedule of the Income Tax Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

Description	Depreciation rate
Land	Nil
Buildings	2%
Plant And Machinery	12.5%
Computers and Related Equipment	33%
Office Equipment, Furniture, And Fittings	12.5%
Library books	33%
Total	

f) Leases

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

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The college does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another college. At initial recognition, the college measures a financial asset or

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financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The college creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

r) Borrowing costs

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

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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

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6. Transfers from other National Government entities

Description	FY 2024-2025	FY 2023-2024
Unconditional Grants		
Capitation Grants	2,499,137	4,441,925
Operational Grant	3,767,925	2,499,828
Total unconditional Grants	6,267,062	6,941,753
Total Government Grants and Subsidies	6,267,062	6,941,753

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department for vocational & technical training	6,267,062	-	-	6,267,062	6,941,753
Total	6,267,062	-	-	6,267,062	6,941,753

The details of the reconciliation have been included under appendix III.

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7. Rendering of Services

DESCRIPTION	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Tuition Fees	12,200,959	10,625,061
Personal Emoluments	997,567	1,435,306
Repair and Maintenance	389,629	346,188
Local Travel and Transport	436,224	605,113
Activity Fees	251,232	429,863
Electricity Water & Conservation	394,815	552,073
Insurance	24,547	199,501
Practical	9,000	-
College ID	32,598	53,300
Registration Fees	127,532	222,372
KUCCPs	119,932	334,501
Industrial Attachment Fees	45,237	403,105
Examination Fees	2,384,414	1,666,650
TVETA	29,435	11,000
Caution Money	64,720	194,138
Student Welfare	54,128	23,400
Total Revenue from The Rendering of Services	17,561,969	17,101,571

This is recognised in accrual basis concept hence involves invoices issued to trainees within the financial year.

8. Miscellaneous Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Computer Packages	91,300.00	18,500
IGA	8,500.00	-
Bakery	1,450.00	-
Pipe fitter	3,500.00	-
Nail technology	1,500.00	-
Hairdressing	150,000.00	-
Total other income	256,250	18,500

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9. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Teaching and learning materials	279,124.80	2,294,822
Administration cost	1,732,514	4,273,137
Electricity, Water & conservation	386,096	266,489
Activity & sport	1,577,767	851,332
Capacity Building Expense	97,000	1,379,582
Practical materials	21,259	-
KUCCPs	193,480	70,000
Bank charges	-	14,856
Industrial attachment costs	28,640	77,732
Tuition	5,022,725	653,510
Local Travel and Transport	2,091,732	1,196,350
Student Welfare	113,459	41,885
Examination	1,046,510	1,008,810
Student ID	500	5,000
TVETA	270,500	
Caution	1000	
Registration	2000	
Total good and services	12,864,306	12,133,505

10. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries and wages	3,468,232	2,803,344
NHIF	87,554	61,050
NSSF	326,008	219,164
NITA Levy	8,400	1,610
PAYE	14,858	3,954
Housing Levy	89,289	10,376
HELB	11,276	
Employee Costs	4,005,617	3,099,498

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11. Board Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
BOG Emoluments	668,350	1,218,600
Total	668,350	1,218,600

12. Depreciation and Amortization expense

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	2,969,904	1,634,388
Total depreciation and amortization	2,969,904	1,634,388

13. Repairs and Maintenance

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, Equipment and machinery	300,236	77,111
Total Repairs and Maintenance	300,236	77,111

14. IGA Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
IGA Expenses	155,000	-
Total IGA Expenses	155,000	-

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15. Cash and Cash Equivalents

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Account	5,409,978	7,234,281
Cash in Hand	44,559	4,896
Total Cash and Cash Equivalents	5,454,537	7,239,177

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

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1302834932	5,409,978	7,234,281
Sub- Total		5,409,978	7,234,281
b) Others (Specify)			
Cash in Hand		44,559	4,896
Sub- Total		44,559	4,896
Grand Total		5,454,537	7,239,177

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16. Receivables from Exchange transactions

16 (a) Current Receivables from Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	7,133,142	6,911,977
Total Current Receivables	7,133,142	6,911,977

16 (b) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
	FY 2024-2025	% of total	FY 2023-2024	% of the total
Less than 1 year	0	0 %	0	0 %
Between 1- 2 years	7,133,142	100%	6,911,977	100%
Between 2-3 years	-	-	-	-
Total (a+b)	7,133,142	100%	6,911,977	100%

17. Receivables from non-Exchange transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Transfers from Other Govt. entities	0	499,828
Total Current Receivables	0	499,828

18. Inventories

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Consumable stores	1,143,271	-
Maintenance stores	342,981	-
Cleaning materials	91,462	-
Catering Stores	22,865	-
Electrical stores	571,635	-
Hair dressing and beauty therapy stores	50,425	-
Plumbing stores	63,902	-
Total Current Receivables	2,286,541	-

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19. Property, Plant and Equipment

Class	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Library Books	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2%	12.5 %	33%	12.5%	33%	
At 1 July 2023	7,500,000	52,480,855	2,624,401	690,308	563,966	0	63,859,530
Additions	0	0	390,660	279,499	41,545	0	711,704
Double recognised plastic chairs					(382,647)	0	
At 30th June 2024	7,500,000	52,480,855	3,015,061	969,807	222,864	0	64,188,587
Additions	0	1,850,375	224,480	3,597,543	886,540	400	6,559,338
At 30th June 2025	7,500,000	54,331,230	3,239,541	4,927,350	1,109,404	400	71,107,925
Depreciation And Impairment							
At 1 July 2023	0	1,049,617	328,050	227,802	22,665		1,628,134
Depreciation As at 30 th June 2024	0	1,028,625	335,876	244,862	25,025		1,634,388
At 30 Jun 2024	7,500,000	50,402,613	2,351,135	497,143	175,174		60,926,065
Depreciation	0	1,045,060	321,952	1,470,046	132,714	132	2,969,904
At 30th Jun 2025	7,500,000	51,207,928	2,253,663	2,984,640	929,000	268	64,875,499
Net Book Values							
At 30 th Jun 2024	7,500,000	50,402,613	2,351,135	497,143	175,174		60,926,065
At 30 th Jun 2025	7,500,000	51,207,928	2,253,663	2,984,640	929,000	268	64,875,499

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Highland Associates Surveyors professional valuers on 12th October 2023. These amounts were adopted in the financial statements on 30th June 2023.

19 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	7,500,000	0	7,500,000
Buildings	54,331,230	3,123,302	51,207,928
Plant And Machinery	1,109,404	180,404	929,000
Computers and Related Equipment	4,927,350	1,942,710	2,984,640
Office Equipment, Furniture, And Fittings	3,239,541	985,878	2,253,663
Library books	400	132	268
Total	71,107,925	6,232,426	64,875,499

20. Trade and Other Payables

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Trade payables-	2,772,574		3,483,574	
Fees paid in advance	666,522		1,851,706	
Total Trade and Other Payables	3,439,096		5,335,280	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2024-2025	% of the Total
Under one year	666,522	19%	4,852,664	100%
1-2 years	-	%	0	0%
2-3 years	2,772,574	81%	-	-
Total (to tie to totals above)	3,439,096	100%	4,852,664	100

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21. Refundable Deposits from Customers/Students

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Caution money	258,858		194,138	
Total Deposits	258,858		194,138	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Under one year	64,720	100%	-	-
1-2 years	194,138	-	194,138	100%
Total (to tie to totals deposits above)	258,858	100%	194,138	100%

Employee Benefit Obligation

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The College obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 12% of the pensionable salaries and wages which is deducted equally between the employee and the employer employee per month. Both Employees and Employers contributions are recognised as expenses in the statement of financial performance within the period they are incurred

22. Payments received in advance.

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Fees received in advance	666,522		1,851,706	
Total	666,522		1,851,706	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Under one year	666,522	100%	1,851,706	100%
Total	666,522	%100	1,851,706	100%

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23. Cash generated from operations.

	FY 2024-2025	FY 2023-2024
Surplus for the year before tax		
Adjusted for:	3,272,857	5,898,722
Depreciation	2,818,915	1,634,388
Working Capital Adjustments		
Increase in Receivables (exchange transaction)	(221,166)	5,060,273
Increase in Receivables (non-exchange transactions)	-	499,828
Increase in Inventories	(2,494,679)	
Decrease in Trade Payables	(711,000)	2,378,373
Decrease in Payables-Fees paid in advance	(1,289,087)	482,616
Increase in Payables-Caution money	258,858	194,138
Net Cash Flow from Operating Activities	1,634,698	4,679,558

24. Financial Risk Management

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

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

(i) Credit risk

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

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

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

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	6,911,977	6,911,977	-	-
Receivables from non-exchange transactions	499,828	499,828	-	-
Bank balances	7,239,177	7,239,177	-	-
Total	14,650,982	14,650,982	-	-
At 30 June 2025			-	-
Receivables from exchange transactions	7,133,143	7,133,143	-	-
Bank balances	5,454,537	5,454,537	-	-
Total	12,587,680	12,587,680	-	-

Financial risk management (continued)

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

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	-	-	3,483,574	3,483,574
Total	-	-	3,483,574	3,483,574
At 30 June 2025				
Trade Payables	-	-	2,772,574	2,772,574
Total	-	-	2,772,574	2,772,574

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(iii) Market risk

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

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

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

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

a) Foreign currency risk

The College has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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

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Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2024			
Euro	10%	-	-
Usd	10%	-	-
2025			
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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iv) Capital Risk Management

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Retained Earnings	13,751,864	5,898,722
Capital Reserve	60,149,039.00	57,653,244
Total Funds	73,720,903	63,551,966
Less: Cash and Bank Balances	- 5,454,537	(7,239,177)
Net Debt/(Excess Cash and Cash Equivalents)	68,266,366	56,312,789
Gearing	93%	87%

25. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Trainees
- vi) Suppliers
- vii) Parents

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		

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Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Purchases of electricity from kplc	173,576	100,246
Purchase of water from govt service providers	212,520	55,159
Training and conference fees paid to govt. agencies	-	69,600
Total	386,096	225,005
b) Grants /Transfers from the Government		
Grants from National Govt	2,499,137	2,000,000
Total	2,499,137	2,000,000
c) Key Management Compensation		
Directors' emoluments	668,350	958,600
Total	668,350	958,600

26. Events After The Reporting Period

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

27. Ultimate And Holding Entity

The entity is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

28. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Long outstanding student debtors	<p>The college Debt management policy was under development to be included in the finance policy as at the time of audit hence the college has a draft revised finance policy which has an inclusion of debt management awaiting Board approval. The College has already made policies on collection of balances such as no sitting for exams without having cleared 100% fees.</p> <p>The college has also undertaken to itself assisting trainees with HELB applications to enhance fees clearance on time. Attached are memos communicating to trainees on fees clearance and HELB</p>	In progress	30 th June 2026

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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)
		applications and the draft Revised finance policy.		
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Long outstanding trade payables	Due to budgetary constraints the college management is in negotiation with the mentor institution management for write off of the amounts owing to them. The college has done a letter of request for the write off and is awaiting the response from the mentor's institution management in consultation with their council members. Attached is the letter of request sent to Michuki National Polytechnic. draft Revised finance policy.	In progress	30 th June 2026
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Inaccuracies in net Assets	The college has corrected the Net assets amount.	Resolved	30 th June 2026
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Inaccuracies in the Cashflows statement	The college has corrected the amount in the cashflow statement.	Resolved	30 th June 2026
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Budgetary control and performance	The college pushed the undertaking of some of its projects like building of temporary classrooms to financial year 2024/2025	In progress	30 th June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Non compliance with law of ethnicity	The management has ensured its advertisements on job application reaches a large number of people so as to attract diverse ethnicities. The college current staff records have complied with Section 7(1) and (2) of National Cohesion and Integration Act, 2008 where 44% of the staff are from the diverse ethnicity where as 66% are from the dominant ethnic community.	In progress	30 th June 2026
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Failure to identify and perform risk assessment	The management recognizes the importance of adhering to the provisions of the Kigumo Technical and Vocational College Finance and Internal Control Manual. With the necessary governance structures now in place, the College is committed to fully implementing the risk identification, assessment, and reporting framework as outlined in the manual. The Audit and risk committee has been functionalized as per its attached first meeting minutes and attendance	Resolved	30 th June 2026

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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)
		The risk assessment plan has identified and performed a risk assessment as per the attached risk identification forms.		
OAG/CRO/KIGUMO-TVC/2023/2024(14)	Lack controls in imprest management	The college has implemented the use of imprest system and has maintained a manual imprest register in the current financial year. Attached are samples of applied and surrendered imprest over the current financial year and the manual imprest register.	Resolved	30 th June 2026



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Jeniffer W. Gachago
Accounting Officer
Principal/ BOG Sec
Date:01/12/2025

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity; **Ministry of Education**

Name of beneficiary entity; **Kigumo TVC**

Confirmation of amounts received by Kigumo TVC as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Capitation (B)	Total (C)=(A+B)	Remarks
	15/07/2024	499,827		499,827	
	29/10/2024		1,168,500	1,168,500	
	12/11/2024	499,827		499,827	
	13/02/2025	499,827		499,827	
	17/02/2025		2,599,425	2,599,425	
	04/06/2025	499,828		499,828	
	17/06/2025	499,828		499,828	
Total		2,499,137	3,767,925	6,267,052	

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

Head of Accounts Department - Disbursing Entity:

Name ... *Nancy Klangon Klangon* ... Sign *[Signature]* ... Date 01/12/2025

Head of Accounts Department - Beneficiary Entity:

Name Sign Date 01/12/2025

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Appendix V: Reporting on Disaster Management Expenditure

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