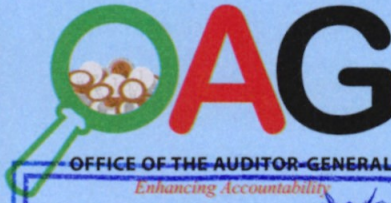


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 26 FEB 2026

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THE-TABLE:

V. WAMBUI

THE AUDITOR-GENERAL

ON

ELDAMA RAVINE TECHNICAL
AND
VOCATIONAL COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025



ELDAMA RAVINE 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)**

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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2. Key Entity Information and Management

(a) Background information

Eldama Ravine Technical and Vocational College (ERTVC) is a government Technical and Vocational Training College that was established under the TVET Act of 2013 under the Ministry of Education specializing in training of youth in different Technical fields. The College was officially opened on the 19th of May 2018 in Baringo County, Eldama Ravine Constituency. It is situated approximately 2 kilometres South-East of Eldama Ravine Town along Maji Mazuri-Makutano road. The College's operations are carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars. The college is conscious of the Government's Vision 2030, MTP IV and The Bottom Up Economic Transformation Agenda; and in carrying out the day-to-day duties, it intends to put efforts towards contributing effectively and efficiently to the achievement of the same

The College admits students from all over Kenya and offers full- time courses in Artisan, Certificate and Diploma levels. The college also admits students to the CBET Level 4, 5 and 6 Courses. The courses are offered in 7 departments namely, Agricultural and Mechanical Engineering, Agriculture Education and Extension, Building & Construction, Electrical and Electronics, ICT, Business Studies as well as Hairdressing & Beauty Therapy. The students are examined by KNEC, CDACC and NITA

(b) Principal Activities

Eldama Ravine Technical and Vocational College's core mandate is to train and assess students on technical skills and knowledge

Vision

To be a nationally competitive training Centre for imparting technical knowledge and skills for sustainable development

Mission

To create, preserve and transfer knowledge and technology through quality technical training, research and community service

Core Values

Team Work - We work together collaboratively with respect and empathy to ensure we deliver services and products of good quality

Integrity - We Value high standards of ethical behavior at all times. We shall uphold honesty and all moral principals in all the Eldama Ravine Technical and Vocational College Activities and decisions

Discipline - We pursue excellence with commitment and perseverance respecting rules and regulations

Accountability- We shall be Accountable for our Decisions and Actions

Commitment - We are committed to providing quality services

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Motto Technology for Sustainable Development

Objectives of ERTVC

The general Objectives of Eldama Ravine Technical and Vocational College outlined below provide a framework for the achievement of the mandate of the College;

- i. To provide competent, dependable, innovative and creative human resource for the Kenya Bottom-up Economic Transformation Agenda, Vision 2030, MTP IV
- ii. To impart applied knowledge to trainees in order to gain entrepreneurship and problem-solving skills in the world of work;
- iii. To expand and upgrade the College's infrastructure and equipment to meet the current trends;
- iv. To collaborate with other Colleges, institutions and the community in providing extension services and solutions to emerging issues;
- v. To promote trainee welfare and maintain co-curricular facilities for training and wellness

(c) Key Management

The College is managed by a 9-member board of governors (BOG) appointed by the Cabinet Secretary for Education in accordance with the TVET Act of 2013. The day to day running of the College is done by the Principal (Secretary to the BOG) assisted by a management team comprising Deputy Principal Administration, Deputy Principal Academics, Ag. Registrar, Ag. Dean of Students and Assistant Accounts Clerk, Academic and Non-academic heads of department. In total there are 53 members of staff; 36 academic staff and 16 administrative staff.

(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	Martin Kilel
2.	Deputy Principal Administration	Musa C. Bundotich
3.	Deputy principal Academics	Anither Rotich
4.	Ag. Registrar	Janet Siren
4	Ag. Dean of Students	Eric Mutai
5	Accountant	Sheila Toroitich

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

(The Finance committee of the board should keep on monitoring compliance in financial reporting and other areas of compliance.

The institution should benchmark with established TVET institutions.

The committee should request quarterly reports from time to time

Commended the institution for acquiring an ERP System to ease functions and operations and also reduce errors and inconsistencies

The institutions should adopt a better salary scale to minimize staff turnover especially non-teaching staff

Finance and operations committee activities

Improve working conditions for members of staff

Academic committee activities

Implement the academic policy to ensure procedures, rules and regulations are adhered to by both trainers and trainees

Weak trainees to be assisted at individual level

Capacity building of the deans and peer counsellors

Career guidance -students to be advised on choice of courses before selection/admission to minimize wrong choice of course.

Building and Construction shed to be complete to ensure content on practical skills is successfully delivered to students in Building and civil Engineering Department

Timely provision of practical materials for technical courses

Equipping computer lab with at least 10 more computers/desktops-advising ICT students to purchase laptops on admission

(f) Entity Headquarters

P.O. Box 560-20103,
Along Maji Mazuri-Makutano Road
Eldama Ravine, Baringo County, Kenya

(g) Entity Contacts

Cell: 0713 546595/ 0729226734

Email: principal@ertvc.ac.ke

Website: www.ertvc.ac.ke

(h) Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue

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P.O. Box 60000
City Square 00200
Nairobi, Kenya

Equity Bank
Eldama Ravine Branch
P. O Box 75104
Eldama Ravine

Kenya Commercial Bank
P.O. Box 415-20103
Eldama Ravine

Independent Auditors

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




Key Entity Information and Management (Continued)

(i) Principal Legal Adviser




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

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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3.The Council/Board of Governors

Member's photo and name	Member's brief
 <p>1. CHAIRMAN, BOARD OF GOVERNORS – Vincent Kiptoon</p>	<p>Master in law(LLM) University of Nairobi Masters of Business Administration (MBA) Laikipia University Certified Public Secretaries Kenya (CPSK) KASNEB Bachelor of Law Moi University. Date of Birth:6.10.1981 CHAIRMAN - BOARD OF GOVERNORS</p>
 <p>2.MEMBER, BOARD OF GOVERNORS - Michael Ngulat BCOM -Accounting Option (UON), CPA, Detect. Ed (KTTC)</p>	<p>Bachelor of Commerce (Accounting Option), - University of Nairobi, Kenya. Diploma in Technical Education Certified Public Accountant Currently, Branch Manager at Agricultural Finance Corporation- Eldama Ravine. Previously, Senior Credit Officer at Agricultural Finance Corporation- Eldama Ravine. Date of Birth:16.12.1963 CHAIRMAN-FINANCE COMMITTEE INDEPENDENT</p>
 <p>3.MEMBER, BOARD OF GOVERNORS- Moses Mwangi Thiga PhD Information Systems -Kabarak University, KE M.Sc. Information Systems Management – Liverpool University, UK B.Sc. Computer Science – Egerton University, KE</p>	<p>PhD in Information Systems Master of Science in Information Systems Management Master of Science in Statistics Bachelor of Science in Computer Science Currently, Director- Research and Lecturer Computer Science and Information Technology at Kabarak University Previously, Research Associate at Kenya Education Network (KENET) Nairobi. Date of Birth:11.04.1980 CHAIRMAN,ACADEMIC COMMITTEE EXECUTIVE</p>

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 <p>4.MEMBER, BOARD OF GOVERNORS - Dr. Catherine M. Sempele PhD. Educational Technology – University of Eldoret, KE Master of Home Science and Technology Education- Moi University, KE Bachelor of Home Science and Technology Education</p>	<p>PhD. Educational Technology – University of Eldoret, KE Master of Home Science and Technology Education- Moi University, KE Bachelor of Home Science and Technology Education Currently, Lecturer- at University of Eldoret Date of Birth: 01.01.1973 MEMBER FINANCE COMMITTEE EXECUTIVE</p>
 <p>5.MEMBER, BOARD OF GOVERNORS Yunus Issa Aljab MA Religious Studies- UoN, KE B. Ed –International University of Africa, Khartoum Sudan</p>	<p>Master of Arts Religious Studies- University of Nairobi, KE Bachelor of Education –International University of Africa, Khartoum Sudan Currently, Director at Education for Africa Charity Organization Previously, Principal at Highlands High School, Limuru Date of Birth:07.08.1982 MEMBER FINANCE COMMITTEE EXECUTIVE</p>
 <p>6.MEMBER, BOARD OF GOVERNORS Dr. Joyce Jepkorir Kiplimo Bett</p>	<p>Doctor of Philosophy in Chemistry- University of KwaZulu Natal, South Africa Master of Science in Chemistry- Egerton University, KE Bachelor of Education Science- Egerton University, KE Currently, Head of Department, Physical Sciences and Senior Lecturer at Kabianga University Previously, Acting Dean, School of Science and Technology at Kabianga University Date of Birth:17.09.1973</p>

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<p>PhD. In Chemistry- University of KwaZulu Natal, SA MSc. Chemistry- Egerton University, KE B. Ed (Science)- Egerton University, KE</p>	<p>CHAIRMAN,AUDIT AND RISK MANAGEMENT COMMITTEE EXECUTIVE</p>
 <p>7.MEMBER, BOARD OF GOVERNORS Rosemary w. Kimani MSc, BED Science Regional/ County Director of TVET, Central Rift Region</p>	<p>MSc, degree in animal ecology and conservation, BED science in Zoology and mathematics –Kenyatta University. Certificate in Environmental Impact Assessment- Africa Nazarene University. She is a civil servant currently serving as the Regional/County Director of TVET, Central Rift Valley in charge of Nakuru and Baringo Counties. She represents the Principal Secretary, State Department of Vocational & Technical Training in the Board of Governors Date of Birth:0.0.1966 DIRECTOR -TVET</p>
 <p>8.MEMBER, BOARD OF GOVERNORS Benjamin Odhiambo Bachelor of Law- UON, KE Diploma in Law- Kenya School of Law</p>	<p>Bachelor of Law- University of Nairobi, KE Diploma in Law- Kenya School of Law Current workstation-Kisumu Date of Birth:26.11.1964 MEMBER,AUDIT AND RISK MANAGEMENT COMMITTEE EXECUTIVE</p>

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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 <p>9.MEMBER, BOARD OF GOVERNORS David K. Cheboi. Bachelor of Cormmerce(Hons) Business Administration, EAACE'A'-3 Principals and 1 Subsidiary AllianceHigh School.</p>	<p>Bachelor of Cormmerce(Hons) Business Administration, EAACE'A'-3 Principals and 1 Subsidiary AllianceHigh School. Date of Birth:28.04.1957 MEMBER FINANCE COMMITTEE GOVERNORS REPRESETATIVE</p>
 <p>Martin Kilel MEd Educational Administration and Management University of Eastern Africa-Baraton</p>	<p>MEd Educational Administration and Management- University of Eastern Africa-Baraton</p> <p>Bachelor of Education Egerton University, KE Principal Date of Birth: 01.01.1972 SECRETARY,BOARD OF GOVERNORS</p>

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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4. Key Management Team

Name	Passport	Designation	Qualification	The main area of responsibility
Martin K.Kilel		Principal	MEd Educational Administration and Management-University of Eastern Africa-Baraton Bachelor of Education Egerton University, KE	He is the chief executive officer of the college serving as the principal and secretary to the board of governors.
Musa C. Bundotich		Deputy Principal Administration	Masters in Philosophy (Education Management and Policy Studies)	The Deputy Principal Administrative affairs
Anither J.Rotich		Deputy Principal Academics	MSc. Information Technology Moi University	The Deputy Principal Academic affairs
Janet J.Siren		Registrar	MSC in agriculture extension	She is registrar of the college and trainer of General Agriculture
Erick K.Mutai		Dean of Students	DIPLOMA in Agricultural Engineering	He is the Dean of students and trainer of Agricultural Engineering.

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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Sheila J.Toroitich		Assistant Account	CPA K	She is the Accountant of the college.
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5. Chairman's Statement

I have the pleasure to present an overview of the Eldama Ravine Technical and Vocational College performance for the year ended 30th June 2025. Eldama Ravine Technical and Vocational College endeavors to continually improve on the implementation of its mission and Objectives

Our focus has been to promote a highly and advanced technical trained manpower in the various fields which is part of the College's contribution towards the achievement of Vision 2030 and the Bottom-up Economic Transformation Agenda. This is through provision of quality technical training for self-reliance and economic empowerment for sustainable development.

Eldama Ravine Technical and Vocational College has a human resource of 29 public service trainers and 20 BOG trainers thus it is able meet its mandate of carrying out training.

However, there are a myriad of challenges that the institution face among them are; fee payment by the trainees, lack of enough public service trainers which hence affect the quality of training and so it forces hiring of BOG trainers which has a cost implication on the limited resources, there is also lack of adequate infrastructural development.

The institution has laid out an elaborate plan to improve trainee population and stakeholders' engagement towards infrastructural improvement e.g. developing more lecture rooms, workshops and dining hall.

During the year ended 30th June 2025, Eldama Ravine Technical and Vocational College was mainly funded through the Government capitation and appropriation in Aid (A-I-A) for its

Recurrent expenditure.

I wish to finally thank the Government of Kenya, Board of Governance, Management and Staff for their dedication and participation over the year in striving to make Eldama Ravine Technical and Vocational College achieve its desire in producing a more skilled and trained workforce for our country.

Thank you.


Vincent K. Kiptoon

CHAIRMAN, BOARD OF GOVERNORS

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6. Report of the Chief/Senior Principal

I am Pleased to have the opportunity to give a report on Technical Training in Eldama Ravine Technical and Vocational College and financial statement of the institution. Having been recently posted to the Eldama Ravine Technical and Vocational College, I thank God and appreciate the MOE for giving me the opportunity to serve in this capacity. The dreams of our students fall into three major categories.

- i. Many of our student's dream of completing an artisan, craft or Diploma course and applying the skills attained in self-employment.
- ii. Many others dream of earning a credential that leads to a good paying job.
- iii. A few dream of simply taking customized/short training courses that will help them advance in their career.

We are committed to helping our students realize their dreams by providing a conducive learning environment and ensuring that they do practical work and make sure their tuition fee is paid on time; and by emphasizing to them that they must commit to the learning process, show up for classes, complete all class assignments, and ultimately gain the competence that is required by the course. At ERTVC;

1. We work with all our stakeholders so that our students come to us better prepared for college.
2. We aim to increase access to quality of our programs by organizing outreach programs in high schools so that our potential students get a head start on a college certificate.
3. We are there for our students when they first come in our doors, reinforcing that they can and will be successful.
4. We always advise our students that their goal is not to go or come to college but rather to successfully complete College and gain competence in their field of choice
5. We help our students better understand the financial aid and loan process that the government has provided.
6. Staff are encouraged to make input in major decisions

Technical Education is constantly evolving. New initiatives or advances in technology require staff to conduct business differently. The management will advocate for targeted professional development and as the Principal, I will continue to invest in employee professional development.

Our local communities and our people as a whole will be the ultimate beneficiaries of our dream. We envision a future where all of our communities have a college-educated workforce, ready and able to fill the needs of local business and industry.

Finally, we acknowledge that Eldama Ravine Technical and Vocational College is a deserving investment and we appeal for continued financial support from the government so as to actualize our dreams. God Bless Eldama Ravine Technical and Vocational College



Martin Kilel
PRINCIPAL/SECRETARY BOG

7. Statement of Performance against Predetermined Objectives

ERTVC has 8 (Eight) Strategic Themes and Objectives within the current Strategic Plan for the FY 2020- FY 2025. These Strategic Themes are as follows:

- Theme 1: Academic and Student Welfare
- Theme 2: College Leadership and Governance
- Theme 3: Human Resource Development
- Theme 4: ICT Integration, Equipment and Technology
- Theme 5: Financial Stability
- Theme 6: Partnerships, Collaboration and Linkages
- Theme 7: Cross Cutting
- Theme 8: Corporate Image

ERTVC Develops its annual work plans based on the above 8 themes. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The ERTVC Achieved its performance targets set for the FY 2024/2025 period for its 8 strategic pillars as indicated in the table below:

Strategic Theme		Objective	Key Performance Indicators	Activities	Achievements
1. Academic and Student Welfare	Academic programmes Library Lecture Rooms Workshops Student Welfare	To increase student enrolment from 411 to 611 and progression rates	Admission Lists Increase in enrolment Courses rolled out Lecture rooms in place Lecture chairs Equipped Workshops	Aggressively market the courses offered at the college Initiate Market driven	Objective achieved and surpassed
2: College Leadership and Governance		To Establish structures that ensure smooth running of the College	Governance Quality Assurance Safety and Security Research and Extension Performance Contract	Hold BoG Meetings to discuss achievements and Challenges and way forward on achievement of set targets/milestones. Implement Performance Contract	Governance policies established and implemented

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3. Human Resource Development		To recruit, motivate, retain and enhance competent human resource	Scheme of Service TNA Reports Award System	Job Scale Drawn Capacity Building	Competent human resource retained Motivated Staff
ICT Integration, Equipment and Technology		To enhance information and communication technology systems for efficient operations and training	ICT Equipment Procured	ICT Integration in Training and Service Delivery	ICT Equipment procured and in use. ICT Integration established Improved Service Delivery
Financial Stability		To Establish, improve and diversify income generating activities for the financial stability of the College	Increase in income Dairy unit and No. of dairy cows in place No. of students enrolled to the short courses	Increased Milk Production Students trained in the short courses	2 Income Generating Activities established and operationalized
Partnerships, Collaboration and Linkages		To enhance relevant quality practical skills through partnerships and collaboration with industry and other training institutions	No. of students placed for attachment No. of industries in partnership and collaboration with ERTVC MoU	Students placed on attachment Collaboration	Students sent for attachments and in the process of establishing Collaboration and linkages with 3 industries
Cross cutting		To Mainstream Ethics and Integrity HIV/AIDS COVID-19 Gender, Disability Alcohol, drugs and Substance abuse awareness, National Values and principles of	Reports sent to relevant authorities/agencies and Policies in Place	Implementation of the policies	Cross cutting issues mainstreamed within the College

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		governance and Road Safety			
Corporate Image		To uphold and enhance the positive corporate image of ERTVC and improve visibility	Increased enrolment Service Charter CSR (Market Cleaning, ERTVC Farm Demonstration day)	Marketing Improved service delivery Market Cleaning Farming Demonstration	Eldama Ravine Technical and Vocational College corporate image enhanced

8. Corporate Governance Statement

The top management organ in the college organogram is the Board of Governors, whose core mandate is to oversight prudent use of revenue received, approve policies and guidelines that ensures that there are checks and balances in day to day running of the college, recruit staff where ever there is need, oversee the implementation of the college strategic plan, the budget and the procurement plan.

Eldama Ravine Technical and Vocational College has been in existence since 2018 and we attribute the achievements the college has made to the expertise the board members have been offering to the college since inception.

The current board whose tenure expired in August 2025 comprised of experts from the private sector, scholars from universities and lawyers who have been instrumental in mentoring staff in the critical departments namely; finance, internal auditing, human resource and top management.

Board of Governance Meetings:

In the financial year ended 30th June, 2025, there were four full board of governors meetings and during the same period, there were various board of governors committee meetings.

Process of Board Appointment

The board of governors comprises of the chairman and seven other members, one of whom is the County Director-TVET representing the Principal Secretary, State Department for TVET and one other member being the representative of the Governor, Baringo County Government.

The process of Board establishment is initiated by the principal through sharing of information with the public and the area member of parliament underscoring the intention of the college to establish a board of governors. Interested members of the public who meet the required credentials and criteria are asked to send their academic and professional certificates, CV,s and copies of National Identification Cards to the college. The area member of parliament participates during the entire process by proposing suitable candidate for vetting. The principal receives and serializes the applications as they are received and captures each applicant's data in the right template provided by the Ministry of Education.

The principal in consultation with the TVET-County Director constitutes a nomination panel which comprises of the Member of Parliament, one community opinion leader, religious community representative, the County Director TVET and the principal of the college who is the secretary to the nomination panel.

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The nomination panel then vets the applications and nominates three candidates for shortlisting per category depending on their areas of specialization as provided for in the TVET ACT 2013. The profile of the nominees is then filled in the template provided by the Ministry of Education and submitted to the principal Secretary, State Department for TVET alongside the minutes of the nomination panel, signed attendance list and a forwarding letter from the County Director. From the provided data, the cabinet secretary appoints Board of Governors members and communicates to the college the appointments indicating the Board chairman and six other board members as per the TVET Act 2013.

Functions of the Board of Governors:

The functions of the Board of Governors as stipulated under section 28(i) of the TVET Act No.29 of 2013 include:-

- (a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- (b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- (c) Administering and managing the property of the institutions;
- (d) Developing and implementing the institutions' strategic plan;
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
- (f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- (g) determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;
- (h) Mobilizing resources for the institutions;
 - (i) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of the Act;
 - (j) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
 - (k) Recruiting and appointing trainers from among qualified professionals and practicing trades' persons in relevant sectors of industry;
 - (l) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- (m) Making regulations governing organization, conduct and discipline of the staff and students;

9. Management Discussion and Analysis

The Board of Governors submitted their report together with the audited financial statements for the year end 30th June, 2025 which showed the state of the college affairs.

SECTION A:

The entity's operational and financial performance

The college's source of funds during the year under review includes:

- i) Government grants-capitation
- ii) Higher Education Loans Board disbursement
- iii) Internally generated funds-Tuition

SECTION B:

Entity's compliance with statutory requirements

The college complies with statutory requirements and has dutifully remitted payroll statutory deductions such as NHIF, NSSF and PAYE during the year under review.

SECTION C.

Key projects and investment decisions

- i) The institution was able to plant over 1000 trees around the institution in conjunction with equity bank
- ii) The institution was able to plant maize, beans and potatoes
- iii) The institution has considered:
 - a) Construction of dining hall,
 - b) Procurement of driving school van,
 - c) Construction of student hostels/student village under the funding of affordable housing programme

SECTION D:

Major risks facing the entity

The college major risks are majorly related to its core mandate which is training and human resource development. Some identified risks include:

- i) Low student enrollment
- ii) Lack of student accommodation and dining hall
- iii) Delayed disbursement of capitation, recurrent grants and HELB Loans and bursary for students
- iv) Inadequate classrooms and workshops
- v) Lack of land registration certificate for the institution land

SECTION E:

The entity's financial probity and governance issues

There was no financial probity and serious governance issues during the year under review

SECTION F:

Material arrears/Financial obligations.

The college does not have any loan default, tax default, outstanding staff obligations; however the pending supplier balances as at 30th June, 2025 was ksh 3,421,383.

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

Eldama Ravine Technical and Vocational College Observes the annual tree planting day by planting and taking care of trees within the institution. Every government guest is always accorded an opportunity to plant a tree

Environmental performance

Eldama Ravine Technical and Vocational College Observes the annual tree planting day by planting and taking care of trees within the institution. Every government guest is always accorded an opportunity to plant a tree. During flagging off of the two CSRs (Market Cleaning and Farm Demonstration) and also during the Launch of the Jitume Lab, each guest planted a tree

Employee welfare

Eldama Ravine Technical and Vocational College uses the Human Resource Document customized from the PSC Human Resource Policy to guide in the hiring process. Eldama Ravine Technical and Vocational College Undertakes skills gap analysis/TNA and capacity builds employees based on the results. The management conducts employee appraisal through the ghris portal for PSC staff and is in the process of developing a mechanism for appraising staff under the BOG. The structure for rewards is yet to be put in place. Eldama Ravine Technical and Vocational College is cautious on matters Workshop safety and ensures staff and students are continuously sensitized and practice safety at all times. The College also Implements Health and safety rules and regulations as guided by the Ministry of Health.

Market place practices-

- a) Eldama Ravine Technical and Vocational College ensures responsible competition practices by participating in Sports and Games organized by TVET, sending quarterly reports to EACC, Participating in internal departmental competitions fairly with respect to all competitors
- b) ERTVC advertises using posters, brochures, local media houses, public barazas and online platforms like WhatsApp and Facebook and ensures to maintain ethical marketing practices.
- c) Eldama Ravine Technical and Vocational College students are guaranteed quality training from professional trainers and are assured of acquiring the right skills and knowledge on a timely basis.

11. Report of the Council/Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Eldama Ravine Technical and Vocational College's affairs.

Principal activities

The principal activities of the entity are Training and Assessment of Trainees

Results

The results of Eldama Ravine Technical and Vocational College for the year ended June 30 are set out on page 2 to 61

Council/Board of Governors

The members of the Board who served during the year are shown on page ix. During the year 2023, the Principal and Secretary to the Board was transferred and Mr. Martin Kilel was appointed with effect from 6th June 2023.

Auditors

The Auditor General is responsible for the statutory audit of the Eldama Ravine Technical and Vocational College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the Year ended June 30, 2025

By Order of the Board



.....

MARTIN KILEL

Secretary of the Board/Council

Eldama Ravine

Date: 20/11/2025.

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

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

Section 81 of the Public Finance Management Act, 2012 and (*section 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 Eldama Ravine Technical and Vocational College, which give a true and fair view of the state of affairs of the Eldama Ravine Technical and Vocational College at the end of the financial year/period and the operating results of the Eldama Ravine Technical and Vocational College for the year 2024/2025. The Board members are also required to ensure that the Eldama Ravine Technical and Vocational College keeps proper accounting records which disclose with reasonable accuracy the financial position of the Eldama Ravine Technical and Vocational College. The Board members are also responsible for safeguarding the assets of the Eldama Ravine Technical and Vocational College.

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


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


Nothing has come to the attention of the Board members to indicate that Eldama Ravine Technical and Vocational College will not remain a going concern for at least the next twelve months from the date of this statement

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

Approval of the financial statements

The Eldama Ravine Technical and Vocational College financial statements were approved by the Board on 20/11/2025 and signed on its behalf by:


.....
Name VINCENT KAPFOON
Chairperson of the Board/Council


.....
Name MARTIN K. KILEL
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ELDAMA RAVINE 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 Eldama Ravine Technical and Vocational College set out on pages 2 to 56, 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 the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229

of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of financial position reflects balances of Nil and Kshs.31,200 in respect of property, plant and equipment and refundable deposits from customers. However, the previous year's audited financial statements reflect balances of Kshs.70,000 and Kshs.312,000 resulting in unexplained variances of Kshs.70,000 and Kshs.280,800.

The statement of changes in net assets reflects the previous year's surplus amount of Kshs.890,036. However, the prior year's audited financial statements reflect an amount of Kshs.8,900,367 resulting in an unexplained variance of 8,010,331.

The statement of changes in net assets reflects accumulated fund closing balance of Kshs.46,065,839 as at 30 June, 2025. However, the recomputed amount is Kshs.46,065,338 resulting in unexplained variance of Kshs.501.

The statement of cash flows reflects total receipts amount of Kshs.26,179,250. However, the statement of comparison of budget and actual amounts reflects a balance of Kshs.45,032,356 resulting in an unexplained variance of Kshs.18,853,106.

The statement of cashflows reflects net increase in cash and cash equivalents amount of Kshs.904,105. However, the recomputed amount is Kshs.772,667 resulting in an unexplained variance of Kshs.131,439.

Further, the statement reflects cash and cash equivalents balance of Kshs.451,824 as at 30 June, 2025. However, the recomputed balance is Kshs.2,260,034 resulting in an unexplained variance of Kshs.1,808,210.

Note 47 to the financial statements reflects net cash inflows from operating activities amount of Kshs.772,667. However, the recomputed cash outflow amount is Kshs.151,085 resulting in an unexplained variance of Kshs.923,752.

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

2. Unsupported Use of Goods and Services Expenditure

The statement of financial performance reflects an amount of Kshs.18,688,046 in respect to use of goods and services, as disclosed in Note 15 to the financial statements. Review

of sampled payment vouchers revealed that an expenditure amounting to Kshs.865,682 was not supported with appropriate accounting and procurement documents.

In the circumstances, the accuracy, completeness and propriety of the use of goods and services expenditure of Kshs.865,682 could not be confirmed.

3. Unsupported Repairs and Maintenance Expenses

The statement of financial performance reflects repairs and maintenance amount of Kshs.391,927 as disclosed in Note 19 to the financial statements. The expenditure relates to maintenance of the buildings, repair of motor vehicle, repair of lockers and repair of lathe and milling machine. However, the amount was not supported by approved bill of quantities, contract award documents, inspection and acceptance minutes and completion certificates.

In the circumstances, the accuracy and completeness of the repairs and maintenance amount of Kshs.391,927 could not be confirmed.

4. Unsupported Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.451,824 as disclosed in Note 26 to the financial statements and which relates to accounts held in two (2) local banks. However, Management did not provide any documentation or records to indicate the approval or authority under which the bank accounts were opened. This includes Board resolutions, Board meeting minutes, or official letters authorizing the opening of the accounts. The absence of authorization documents for the bank accounts indicate a weakness in internal controls and financial governance.

In addition, Management did not prepare cash books and monthly bank reconciliation statements for the two (2) accounts for the period under review.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.451,824 could not be confirmed.

5. Non-Disclosure of Inventories Balance

The statement of financial position reflects Nil balance in respect of inventories. Although Management acknowledged that there were stock balances of stationeries and food at the closure of the financial year, no board of survey report or stock take report was provided for audit review.

In the circumstances, the accuracy, completeness, existence and valuation of the inventories balance could not be confirmed.

6. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment Nil balance as disclosed in Note 32 to the financial statements. However, the balance does not include the value of land, buildings, motor vehicles including motorcycles, computers and related

equipment, office equipment and furniture and fittings owned by the College. No reason was provided for the omission or the delay in valuation of the assets. The logbooks for the motor vehicles and motorcycles were not provided for audit verification.

Available information revealed that the land on which the College is located was donated by Baringo High School. However, the handing over report and the respective land ownership documents were not provided for audit review. In addition, audit inspection of the land revealed that a section of the land has been encroached by the neighboring community.

Further, the asset register provided for audit verification reflects additional assets purchased during the year of an undetermined value which were not disclosed in the financial statements. In addition, the assets register does not indicate actual purchase date, serial numbers, physical location of the assets, the assets' tag numbers. The assets register further omitted the College's administration office building and the value of intangible assets held by the College. Therefore, the asset register may not be a reliable document for effective control of assets and preparation of financial statements.

In the circumstances, the accuracy, completeness, existence and valuation of the property, plant and equipment balance could not be confirmed.

7. Unsupported Trade and Other Payables Balance

The statement of financial position reflects trade and other payables balance of Kshs.3,421,383 as disclosed in Note 36 to the financial statements. However, the respective invoices, supporting ledgers and the detailed ageing analysis were not provided for audit verification.

In the circumstances, the accuracy and completeness of the trade and other payables balance of Kshs.3,421,383 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Eldama Ravine 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 a total revenue budget and actual on comparable basis amounts of Kshs.59,230,898 and Kshs.45,032,356 respectively resulting to an under-collection of Kshs.14,198,542 or 24% of the budget. Further, the statement reflects that the College spent an amount of Kshs.25,406,584 against actual receipts of Kshs.45,032,356 resulting to an under-absorption of Kshs.19,625,772 or 44% of actual receipts.

The under-collection and under absorption affected the planned activities of the College and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Recommended Reporting Template

Review of the College's financial statements revealed the following presentation and disclosure anomalies:

- i. The table of contents pagination was not aligned in accordance with the prescribed reporting template.
- ii. The corporate governance statement was not disclosed on a separate page as required.
- iii. The management discussion and analysis report and the environmental and sustainability reporting statements did cover between two (2) to three (3) pages as required by the recommended reporting template.
- iv. The Notes to the financial statements are not sequentially numbered after Note 47 to the financial statements.

In the circumstances, Management did not comply with the recommended reporting template as prescribed by the Public Sector Accounting Standards Board.

2. Failure to Prepare and Submit Quarterly Financial Reports

During the year audit review Management did not prepare and submit quarterly financial reports as provided for in law. This is contrary to Section 83 (1) and (3) of the Public Finance Management Act, 2012 which states that an Accounting Officer for a National Government entity shall prepare a report for each quarter of the financial year in respect of the entity; and not later than fifteen days after the end of each quarter, the Accounting Officer shall submit the quarterly report to the Cabinet Secretary responsible for the entity and the National Treasury.

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

3. Non-Compliance with the Law on Employment of Persons Living with Disability

During the year the College had not allocated any casual, emergency and contractual position to any person with a disability. This is contrary to Article 54 (2) of the Constitution of Kenya which provides that the State shall ensure the progressive implementation of the principle that at least five percent of the members of the public in elective and appointive bodies are persons with disabilities.

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

4. Failure to Reserve a Third of Procurement Contracts to Special Groups

Review of the College's operations and procurements carried out in the financial year ending 30 June 2025, revealed that Management had not allocated any procurement opportunities to special interest's groups as provided for by Government policy. This was contrary to Executive Order No.2 of 2018 which provides that at least thirty per cent (30%) of the public procurement be reserved for businesses being owned by women, youth and persons with disabilities.

In the circumstances, Management was in breach of Government policy.

5. Officers in Acting Positions beyond the Stipulated Period

Review of human resources records provided revealed that two (2) officers have been serving in an acting capacity since 28 January, 2020 and 12 February, 2020 respectively. The respective appointment letters stated that the acting appointments would be for six (6) months without allowances. However, at the time of audit in September, 2025, or over sixty (60) months after the appointment, the officers were still serving in the acting capacity. No explanation was provided for the acting appointment beyond the stipulated period and for failure to confirm the officer or substantively fill the position. This is contrary to Section 34 (3) of the Public Service Commission Act, 2017 which states that an officer may be appointed in an acting capacity for a period of at least thirty days but not exceeding a period of six months.

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

6. Failure to Deduct Pay as You Earn (PAYE) from Board Allowances

The statement of financial performance reflects Board expenses amount of Kshs.785,000 which as disclosed in Note 17 to the financial statements relates to Board sitting allowances. However, there was no evidence provided that Pay as You Earn (PAYE) was deducted or recovered from the allowances paid and remitted to Kenya Revenue Authority (KRA) as required. This is contrary to Section 37(1) of the Income Tax Act, CAP 470 of the Laws of Kenya which requires an employer paying emoluments to an employee to deduct therefrom and account for tax thereon.

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

7. Non-compliance with the Law on Staff Ethnic Composition

Review of human resource records and the approved staff establishment revealed that the College has thirty-nine (39) employees, out of which thirty-three (33) or 85% were from the same ethnic community. Further, the key management team had six (6) staff who were all from the same ethnic community.

This is contrary to Section 7 (1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

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

8. Non-Compliance with the Law on Accreditation and Licensing of Trainers

Review of staffing records revealed that the College had twenty-two (22) trainers as at 30 June, 2025. However, no licensing documentation were provided to confirm if the trainers were licensed in accordance with the law. In addition, the College does not maintain a formal register detailing the names, qualifications and licensing status of all trainers engaged by the College. This is contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 which states that any person who intends to become a trainer in an institution shall apply for licensing and registration by the Board

in accordance with the provisions of this Act. Further, Section 25(1) (b) states that the Board shall maintain registers indicating particulars of trainers registered and licensed under this Act.

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

9. Irregular Direct Procurement of Goods and Services

The statement of financial performance reflects an amount of Kshs.18,688,046 in respect to use of goods and services as disclosed in Note 15 to the financial statements. Review of sampled payment vouchers revealed that an expenditure of Kshs.852,490 was incurred through cash purchases above the stipulated amount of Kshs.50,000 per item per year for goods.

The details of the direct procurement of goods and services are as shown in the table below:

Item	Sub-Description	Amount (Kshs.)
Administration	Wifi-subscription	128,330
Administration	Purchase of farm inputs	63,700
Catering	Purchase of Exam materials	73,155
Catering	Refill of gas	71,825
Examination	Purchase of Exam materials	126,220
Kitchen	Purchase of food stuff	315,930
Farm Expenses	Purchase of fuel	73,330
Total		852,490

This was contrary to Section 107 (b) of the Public Procurement and Asset Disposal Act, 2015 which states that a procuring entity may use a low-value procurement procedure if - the estimated value of the goods, works or non-consultancy services being procured are less than or equal to the maximum value per financial year for that low-value procurement procedure as may be prescribed.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance

section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Long Outstanding Receivables from Exchange Transactions

The statement of the financial position reflects current receivables from exchange transactions balance of Kshs.48,299,398 which as disclosed in Note 27 to the financial statements relates to student debtors. Review of the aging analysis revealed that debtors amounting to Kshs.21,775,190 or 45% of the total receivables had been outstanding for more than one (1) year and whose recoverability is doubtful. However, Management did not explain the measures being undertaken to ensure collection of the long outstanding debts.

In the circumstances, the recoverability of the long outstanding receivables balance of Kshs.21,775,190 could not be confirmed.

2. Failure to Perform Staff Performance Appraisals

Note 16 to the financial statements reflects employee costs amounting to Kshs.5,541,611 incurred on the compensation of contractual and permanent staff engaged during the financial year. Review of the personal files revealed that the College did not evaluate performance of employees through performance appraisals. The appraisals play a critical role in management decision making such as contract renewals. Without the performance appraisals, therefore, it was not possible to confirm the criteria upon which contract renewals of some of the contractual employees was arrived at. Further, without the appraisals it was not possible to link individual performance with organization performance.

In the circumstances, the efficiency and effectiveness in human resource management could not be confirmed.

3. Understaffing Against Approved Staff Establishment

The statement of financial performance reflects employee costs amounting to Kshs.5,541,611 as disclosed in Note 16 to the financial statements. Review of records revealed that during the year the College had thirty-nine (39) employees against the approved staff establishment of seventy-seven (77) employees resulting in understaffing by thirty-eight (38) staff. Management did not provide any explanation for the unsatisfactory situation.

In the circumstances, the College may be operating without an optimal number of staff which may have a negative impact on service delivery to the public.

4. Lack of Fraud Management Policies and Risk Management Strategies

Review of the College's records and documentation revealed that it does not have a fraud management policy to assist in detecting and preventing fraud. Further, Management did not have a risk management policy or strategy and therefore, had no approved processes

and guidelines on how to mitigate operational, legal and financial risks contrary to Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015.

In addition, it was noted that the College lacks disaster recovery plan or business continuity plan which outlines how it will continue operating during an unplanned disruption in service. Management has not instituted its own policies and procedures to guide key financial processes and controls for the management of personnel and related expenditure. During the year, Management did not perform formal risk assessments during the financial year under review.

In the circumstances, the effectiveness of internal controls in relation to risk management and fraud detection and prevention, could not be confirmed.

5. Non-Segregation of Duties

The statement of financial performance reflects total expenditure of Kshs.25,406,584 in respect of total expenses and as disclosed in Note 15, 16, 17 and 19 to the financial statements. Review of sampled payment vouchers revealed that the vouchers were prepared and reviewed by one officer or reviewed and approved by the same officer contrary to Regulation 23(1)(c) of the Public Finance Management (National Government) Regulations, 2015. Further, some payment vouchers were paid without proper authorization.

Further, the accountant doubles up as the finance officer and deputy accountant of the College.

In the circumstances, the effectiveness of internal controls in respect of transactions and human resources management could not be confirmed.

6. Lack of Internal Audit Function and Audit Committee

During the year under review, the College had not constituted an audit committee and an internal audit function as required by the law and regulations. This is contrary to Section 73 (1) (a) of the Public Finance Management Act, 2012 which states that every National Government entity shall ensure that it complies with this Act and - has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. Further, Regulation 174 (1) of the Public Finance Management (National Government) Regulations, 2015 states that subject to paragraph (2) of this regulation, each National Government entity shall establish an audit committee.

In the circumstances, the College did not benefit from the oversight functions of the internal audit department and the audit committee.

7. Lack of an Approved Strategic Plan

During the year under review, the College did not have an approved strategic plan contrary to Section 29 (d) of the Technical and Vocational Education and Training Act, 2013.

In the circumstances, the College was not able to effectively measure the achievement of its strategic goals and objectives which may have affected service delivery to the public.

9. Weak Information Technology (IT) Internal Controls

As previously reported, review of Information Technology (IT) control environment revealed lack of an Information, Communication and Technology (ICT) policy, ICT strategic plan and IT steering committee in place. Absence of the policy and strategic plan may lead to inconsistent approach towards addressing ICT issues and data confidentiality, accuracy, reliability, integrity and availability, subsequently IT continuity plan, critical data or information may not be recovered in case a disaster occurs.

In the circumstances, the adequacy and effectiveness of the IT risk management strategies and controls and processes put in place could not be confirmed.

10. Irregularities in Imprests Management

The statement of financial performance reflects use of goods and services amount of Kshs.18,688,046 as disclosed in Note 15 to the financial statements. Included in the balance is an amount of Kshs.3,055,700 in respect of travelling and accommodation expenses incurred through the issuance of imprests. Review of the records provided by Management revealed that the College did not maintain imprests register contrary to Regulations 93(4)(c) and 93(5) of the Public Finance Management (National Government) Regulations, 2015. Further, travelling and accommodation expense imprests were issued as petty cash and paid through payment vouchers and the holders were not issued with warrants and therefore did not have to surrender them after returning to the duty station. In addition, the imprests rates used by the College were not consistent with the Salaries and Remuneration Commission approved rates. There were imprests amounting to Kshs.172,000 which were issued to employees for activities held within the College premises contrary to Regulation 93(3) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the effectiveness of internal controls in relation to imprest management could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP 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

04 December, 2025


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

14. Statement of Financial Performance for the Year Ended 30 June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	13,162,023	9,368,412
Grants from donors and development partners	7	0	0
Transfers from other levels of government	8	0	0
Public contributions and donations	9	0	0
		13,162,023	9,368,412
Revenue from Exchange transactions			
Rendering of services- fees from students	10	31,861,810	23,444,962
Sale of goods	11	8523	455,400
Rental revenue from facilities and equipment	12	0	0
Finance income	13	0	0
Miscellaneous income	14	0	0
		31,870,333	23,444,962
Total Revenue		45,032,356	33,268,774
Expenses			
Use of goods and services	15	18,688,046	17,415,004
Employee costs	16	5,54,1611	5,113,976
Board /Council Expenses	17	785,000	498,000
Depreciation and amortization expense	18	0	604,000
Repairs and maintenance	19	391,927	737,427
Contracted services	20	0	0
Grants and subsidies	21	0	0
Finance costs	22	0	0
Total Expenses		25,406,584	24,368,407
Other Gains/(Losses)			
Gain on sale of assets	23	0	0
Gain/ Loss on fair value of investments	24	0	0
Impairment loss	25	0	0
Total Other Gains/(Losses)		0	0
Net surplus for the year		19,625,772	8,900,367

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

The Financial Statements set out on pages 2 to 61 were signed by:


.....

Chairman of Council/Board

Date *20/11/2025* .


.....

Principal

Date *20/11/2025*.


.....

Finance Officer

ICPAK No *27292*

Date *20/11/2025*

ELDAMA RAVINE TECHNICAL AND VOCATIONAL COLLEGE
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15.

Statement of Financial Position as At 30th June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	26	451,824	1,355,929.00
Current portion of receivables from exchange transactions	27(a)	48,299,398	26,507,742
Receivables from non-exchange transactions	28	0	0
Inventories	29	0	0
Investments in financial assets	30	0	0
Prepayments	31	0	0
Total Current Assets		48,751,222	27,863,471
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	364,000.00	277,000.00
Investments	30	0	0
Property, plant, and equipment	32	0	0
Intangible assets	33	604,000.00	1,208,000.00
Investment property	34	0	
Biological Assets	35	80,000.00	70,000.00
Total Non-Current Assets		1,048,000	1,555,000.00
Total Assets (A)		49,799,222	29,418,471
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	36	3,421,383.00	1,494,084.00
Refundable deposits from customers	37	312,000.00	312,00.00
Current provisions	38	0	0
Finance lease obligation	39	0	0
Deferred income	40	0	0
Employee benefit obligation	41	0	0

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Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Payments received in advance	42	0	1,172,321
Current portion of borrowings	43	0	0
Social Benefits	46	0	0
Total Current Liabilities		3,733,383	2,978,405
Non-Current Liabilities			
Finance lease obligation	39	0	0
Deferred income	40	0	0
Non-Current Employee Benefit Obligation	41	0	0
Non- Current Borrowings	43	0	0
Non-Current Provisions	44	0	0
Service Concession Liability	45	0	0
Social benefits	46	0	0
Total non- current liabilities		0	0
Total Liabilities (B)		3,733,383	2,978,405
Net Assets (A-B)		46,065,839	26,439,566
Represented By:			
Revaluation Reserves		0	0
Accumulated Surplus		46,065,839	26,439,566
Capital Fund		0	0
Net Assets		46,065,839	26,439,566

The Financial Statements set out on pages 2 to 61 were signed by:

.....


Chairman of Council/Board

Date *20/11/2025*

.....


Principal

Date *20/11/2025.*

.....


Finance Officer

ICPAK No *27292*

Date *20.11.2025*

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

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2024	-	17,539,199	-	17,539,199
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	8,900,36	-	8,900,367
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	-	26,439,566		26,439,566
At July 1, 2024	-	26,439,566	-	26,439,566
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	19,625,772	-	19,625,772
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2025	-	46,065,839	-	46,065,339

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	13,162,023	6,727,000
Grants from donors and development partners	7	0	0
Transfers from other levels of government	8	0	0
Public contributions and donations	9	0	0
Rendering of services- fees from students	10	13,008,704	131,150
Sale of goods	11	8,523	13,898,317
Rental revenue from facilities and equipment	12	0	0
Finance income	13	0	0
Miscellaneous income	14	0	0
Total Receipts		26,179,250	19,021,661
Payments			
Use of goods and services	15	18,688,046	12,439,544
Employee costs	16	5,541,611	4,591,806
Board /Council Expenses	17	785,000	826,000
Repairs and maintenance	19	391,927	758,000
Contracted services	20	0	0
Grants and subsidies	21	0	0
Total Payments		25,406,584	18616234
Net Cash Flows from operating activities	47	772,667	405,427
Cash flows from investing activities			
Purchase of biological assets	35	(0)	(0)
Intangible Asset	33	(0)	(0)
Net cash flows used in investing activities		(0)	(0)
Cash flows from financing activities			
Proceeds From Borrowing	43	0	0
Repayment Of Borrowings	43	(0)	(0)
Net cash flows used in financing activities		(0)	(0)
Net Increase/(Decrease) in Cash and Cash equivalents		904,105	1169691
Cash and Cash equivalents at 1 JULY 2024	26	1,355,929	1,355,929
Cash and Cash equivalents at 30 JUNE 2025	26	451,824	1,355,929

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

Description	Original budget	100	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c *100
Budget carryovers from the previous year*	-	0	0	0	0	0
Receipts						
Transfers from other National Government entities	0	0	0	13,162,023	(13162023)	0%
Rendering of services- fees from students	49,947,398	0	49,947,398	31,861,810	18,085,588	64%
Fees arrears	4,000,000	0	4,000,000	0	4,000,000	0%
Driving school	1,100,000	0	1,100,000	0	1,100,000	0%
Farm income	300,000	0	300,000	8,523	291,477	3%
Other Income	3,883,500	0	3,883,500	0	3,883,500	0%
Total Receipts	59,230,898	0	59,230,898	45,032,356	14,198,542	76%
Payments						
Employee costs	5,632,500	0	5,632,500	5,541,611	90,889	99%
Board /Council Expenses	1,245,000	0	1,245,000	785,000	460,000	63%
Repairs and maintenance	1,445,200	0	1,445,200	391,927	1,053,273	28%
Use of goods and services	29,478,720	0	29,478,720	18,688,046	10,790,675	64%
Total Expenditure Payments	37,801,420	0	37,801,420	25,406,584	12,394,836	43%

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Capital Expenditure Payments	21,364,500	0	21,364,500	0	21,364,500	-
Surplus	64,978	0	64,978	19,625,772	(19,560,795)	-

Budget notes

1. The differences between actual and budgeted amounts is due to under-funding and delay release of funds by the Government.
2. Lack of development funds.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	19,625,772
1	Reason for differences	18,401,281
2	Reason for differences	772,667
3	Reason for differences	0
4	Reason for differences	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	451,824

19. Notes to the Financial Statements

1. General Information

Eldama Ravine Technical and Vocational College is established by and derives its authority and accountability from PFM Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide quality training in technical, industrial, vocational and entrepreneurship.

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 Eldama Ravine Technical and Vocational College accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Eldama Ravine Technical and Vocational College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 20xx, it is applicable in Kenya from 1st July 20xx)

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.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.

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

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	<p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>
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iii. Early adoption of standards

The Eldama Ravine Technical and Vocational College did not early – adopt any new or amended standards in the financial year

4 .Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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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.

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b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on 30/6/2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of xxx on the FY 2024/2025 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

c) Taxes

Current income tax

The Eldama Ravine Technical and Vocational College is exempt from paying taxes as per 1st schedule *sub-section (a) and (b)* of the *income* Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

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

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one

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

Financial assets

Classification

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual 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 entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The Eldama Ravine Technical and Vocational College creates and maintains reserves in terms of specific requirements

. Changes in accounting policies and estimates

The Eldama Ravine Technical and Vocational 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.

o) Employee benefits

Retirement benefit plans

The Eldama Ravine Technical and Vocational 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.

p) 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.

q) 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.

r) Related parties

The Eldama Ravine Technical and Vocational 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.

s) Service concession arrangements

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

t) 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.

u) Comparative figures

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

v) 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 Eldama Ravine Technical and Vocational 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. Additional disclosure of these estimates of provisions is included in Note xxx.

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

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6. Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Operational Grant	13,162,023	9,368,412
Capitation grants	0	0
Total Government Grants and Subsidies	13,162,023	9,368,412

(a) Transfers from other Government entities

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 transfers 2024-2025	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Education Ministry /State Department	13,162,023	0	0	13,162,023	9,368,412
Education Ministry	0	0	0	0	0
Total	13,162,023	0	0	13,162,023	9,368,412

The details of the reconciliation have been included under appendix xxx

7. Grants from Donors and Development Partners

Description	2024-2025	2023-2024
	Kshs	Kshs
JICA- Research Grant	xxx	xxx
World Bank Grants	xxx	xxx
In-Kind Donations	xxx	xxx
Donations transferred to revenue-conditions met	xxx	xxx
Other Grants (specify)	xxx	xxx
Total Grants from Development Partners	xxx	xxx

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(a) Reconciliations of grants from donors and development partners

Description	2024-2025	2023-2024
	Kshs	Kshs
Balance unspent at beginning of year	xxx	xxx
Current year receipts	xxx	xxx
Conditions Met - Transferred to Revenue	xxx	xxx
Conditions Yet To Be Met - Remain Liabilities	xxx	xxx

8. Transfers from Other Levels of Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfer from County XX	xxx	xxx
Transfer from XX University	xxx	xxx
Transfer from XX Institute	xxx	xxx
Total Transfers	xxx	xxx

9. Public Contributions and Donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Public Donations	xxx	xxx
Donations from Local Leadership	xxx	xxx
Donations from Religious Institutions	xxx	xxx
Donations from Alumni	xxx	xxx
Other Donations	xxx	xxx
Total Donations and Contributions	xxx	xxx

10. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Training Fees	31,819,810	19,564,751
Exam	0	3,046,211
Packages	42,000	70,000
Admission	0	764,000
Total Revenue from The Rendering of Services	31,861,810	23,444,962

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11. Sale of Goods

Description	2024-2025	2023-2024
	Kshs	Kshs
Sale of Farm Produce	8,523	455,400
Total Revenue from Sale of Goods	8,523	455,400

12. Rental revenue from facilities and equipment

Description	2024-2025	2023-2024
	Kshs	Kshs
Hire of Facilities and Equipment	xxx	xxx
Contingent Rentals	xxx	xxx
Operating Lease Revenue	xxx	xxx
Others	xxx	xxx
Total	xxx	xxx

13 .Finance Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Cash investments and fixed deposits	xxx	xxx
Interest income from treasury bills	xxx	xxx
Interest income from treasury bonds	xxx	xxx
Interest from outstanding debtors	xxx	xxx
Others	xxx	xxx
Total finance income	xxx	xxx

14. Miscellaneous Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Insurance recoveries	xxx	xxx
Consultancy fees	xxx	xxx
Income from sale of tender	xxx	xxx
Services concession income	xxx	xxx
Reimbursements and refunds	xxx	xxx
Graduation fees	xxx	xxx
Bad debts recovered	xxx	xxx
Income written back	xxx	xxx
Others (<i>specify</i>)	xxx	xxx
Total other income	xxx	xxx

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15. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Teaching and learning materials	0	430,792
Industrial attachment costs	187,227	213,780
Electricity Water & conservation	510,300	501,195
Stationery	1,413,710	1,281,320
Catering	583,912	968,854
Activity fees	699,400	900,951
Development	275,250	777,200
NHIF	128,700	177,050
Examination fees	3,879,244	3,618,252
Insurance	0	12,997
Ict	287,222	251,000
Travelling and accommodation	3,055,700	2,869,500
Student ID	34,800	89,100
House keeping	130,460	211,000
Helb recovery	83,862	81,240
Farm expense	287,390	293,592
Administrative Cost	3,744,628	4,419,604
Performance contracting	180,600	223,400
Marketing expenses	345,800	62,200
Bank Charges	43,366	31,977
General agriculture	542,800	0
Student welfare	72,100	0
Electrical engineering	983,690	0
Building	205,230	0
Kitchen	433,620	0
Cosmetology	579,035	0
Total good and services	18,688,046	17,415,004

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16. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	5,541,611	5,113,976
Employee costs	5,541,611	5,113,976

17. Board/Council Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Directors Emoluments	785,000	498,000
Total	785,000	498,000

18. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Intangible assets	0	604,000
Total depreciation and amortization	0	604,000

19. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property	391,927	737,427
Total Repairs and Maintenance	391,927	737,427

20. Contracted Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Actuarial valuations	xxx	xxx
Investment valuations	xxx	xxx
Property valuations	xxx	xxx
Other	xxx	xxx
Total contracted services	xxx	xxx

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21. Grants and Subsidies

Description	2024-2025	2023-2024
	Kshs	Kshs
Community Development	xxx	xxx
Education Initiatives and Programs	xxx	xxx
Social Development	xxx	xxx
Social benefits expenses	xxx	xxx
Community Trust	xxx	xxx
Sporting Bodies	xxx	xxx
Others	xxx	xxx
Total Grants and Subsidies	xxx	xxx

22. Finance Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Borrowings (Amortized Cost)*	xxx	xxx
Finance Leases (Amortized Cost)	xxx	xxx
Unwinding of Discount from lease liabilities	xxx	xxx
Interest on Bank Overdrafts	xxx	xxx
Interest on Loans from Commercial Banks	xxx	xxx
Others (specify)	xxx	xxx
Total Finance Costs	xxx	xxx

23. Gain on Sale of Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	xxx	xxx
Intangible Assets	xxx	xxx
Other Assets not capitalised	xxx	xxx
Total Gain On Sale of Assets	xxx	xxx

24. Gain/ (loss) on Fair Value Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Fair value on equity investments	xxx	xxx
Fair value arising from investment property	xxx	xxx
Fair value arising from biological assets	xxx	xxx
Fair value- other financial assets (specify)	xxx	xxx
Total Gain	xxx	xxx

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25. Impairment Loss

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	xxx	xxx
Intangible Assets	xxx	xxx
Total Impairment Loss	xxx	xxx

26. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	451,824	1,355,929
Total Cash and Cash Equivalents	451,824	1,355,929

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Kenya commercial bank	1285703464	84,291	603,981
Equity Bank	1310276606399	367,533	751,948
Grand Total		451,824	1,355,929

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Student debtors	48,299,398	26,507,542
Total Current Receivables	48,299,398	26,507,542

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27 (b) Long- term Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	364,000	277,000
Total Non-Current Receivables	364,000	277,000

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	26,524,208	55%	9,380,020	35%
Between 1- 2 years	9,380,020	20%	6,180,591	23%
Between 2-3 years	6,180,591	12%	3,952,122	15%
Over 3 years	6,214,579	13%	6,994,809	27%
Total (a+b)	48,299,398	100%	26,507,542	100%

27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	xxx	xxx
Provisions during the year	xxx	xxx
Recovered during the year	(xxx)	(xxx)
Write offs during the year	(xxx)	(xxx)
At the end of the year	xxx	xxx

28 Receivables from Non-Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	0	0
Total Current Receivables	0	0

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28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	0	0	0
Between 1- 2 years	0	0	0	0
0	0	0	0	0
Over 3 years	0	0	0	0
Total	0	0	0	0

28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
At the beginning of the year	xxx	xxx
Additional provisions during the year	xxx	xxx
Recovered during the year	(xxx)	(xxx)
Written off during the year	(xxx)	(xxx)
At the end of the year	xxx	xxx

29. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumable stores	xxx	xxx
Maintenance stores	xxx	xxx
Health Unit stores	xxx	xxx
Electrical stores	xxx	xxx
Cleaning Materials stores	xxx	xxx
Catering stores	xxx	xxx
Less: Impairment allowance	xxx	xxx
Total Inventories at lower of Cost and Net Realizable Value	xxx	xxx

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Detailed disclosure on inventories

	2024-2025	2023-2024
Opening balance	xxx	xxx
Additional Inventory in the year	xxx	xxx
Inventory expensed in the year	xxx	xxx
Write-downs in the year	xxx	xxx
Others specify	xxx	xxx
Closing balance	xxx	xxx

30. Investments in financial assets

Description	2024-2025	2023-2024
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	xxx	xxx
CBK	xxx	xxx
Sub- Total	xxx	xxx
b) Investment with Financial Institutions/ Banks		
Bank X	xxx	xxx
Bank Y	xxx	xxx
Sub- Total	xxx	xxx
c) Equity Investments		
Equity/ Shares in Company Xxx	xxx	xxx
Sub- Total	xxx	xxx
Grand Total	xxx	xxx

d) Shareholding in other entities

For investments in equity shares listed under note 30 (c) above, list down the equity investments under the following categories:

Name of Entity where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	Insert Current FY	Insert Comparative FY
	%	%	%	Kshs	Kshs	Kshs
Entity A	xxx	xxx	xxx	xxx	xxx	xxx
Entity B	xxx	xxx	xxx	xxx	xxx	xxx

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	xxx	xxx	xxx	xxx	xxx	xxx
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31. Prepayments

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Insurance	xxx	xxx
Rent	xxx	xxx
Water	xxx	xxx
Internet	xxx	xxx
Others	xxx	xxx
Total	xxx	xxx

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32. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		X%	X%	X%	X%	X%	X%		
At 1 July 2024	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
At 30th June 2024	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
At 30th June 2025	0	0	0	0	0	0	0	0	0
Depreciation And Impairment	0	0	0	0	0	0	0	0	0
At 1 Jun 2024	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0
At 30 Jun 2024	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0	0
At 30th Jun 2025	0	0	0	0	0	0	0	0	0
Net Book Values	0	0	0	0	0	0	0	0	0

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30 th Jun 2024	0	0	0	0	0	0	0	0	0
At 30 th Jun 2025	0	0	0	0	0	0	0	0	0

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

32 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	xxx	xxx	xxx
Buildings	xxx	xxx	xxx
Plant And Machinery	xxx	xxx	xxx
Motor Vehicles including Motorcycles	xxx	xxx	xxx
Computers and Related Equipment	xxx	xxx	xxx
Office Equipment, Furniture, And Fittings	xxx	xxx	xxx
Total	xxx	xxx	xxx

33. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost		
At beginning of the year	604,000	1,208,000
Additions	0	0
At end of the year	604,000	1,208,000
Amortization and impairment		
At beginning of the year		
Amortization	(604,000)	(604,000)
Impairment loss		0
At end of the year	0	604,000
NBV	0	604,000

34. Investment Property

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Description	2024-2025	2023-2024
	Kshs	Kshs
At beginning of the year	xxx	xxx
Additions	xxx	xxx
Disposal during the year	(xxx)	(xxx)
Depreciation	(xxx)	(xxx)
Impairment	(xxx)	(xxx)
Gain or loss on fair value- if fair value is elected	xxx	xxx
At end of the year	xxx	xxx

35. Biological Assets

	2024-2025	2023-2024
	Kshs	Kshs
Cattle	80,000	70,000
Total	80,000	70,000

36. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	3,421,383		1,494,084	
Total Trade and Other Payables	3,421,383		1,494,084	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	3,421,383	100%	468,644	30%
1-2 years	0	0%	531,140	35%
2-3 years	0	0%	494,300	35%
Over 3 years	0	0%	0	%
Total (to tie to totals above)	3,421,383	100%	1,494,084	

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37. Refundable Deposits from Customers/Students

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Caution money	312,000		312,000	
Total Deposits	312,000		312,000	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	112,200	36%
Over 3 years	312,000	100%	199,800	64%
Total (to tie to totals deposits above)	312,000	100%	312,000	100%

38. Current Provisions

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

39. Finance Lease Obligation

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

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Maturity Analysis

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

Analysed as:

Description	Amount
	Kshs
Current	xxx
Non- Current	xxx
Total	xxx

40. Deferred Income

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

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The deferred income movement is as follows:

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

Analysed as:

Description	Amount
	Kshs
Current	xxx
Non-Current	xxx
Total	xxx

41. Employee Benefit Obligations

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

Retirement benefit Asset/ Liability

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

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

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

Recognition of Retirement Benefit Asset/ Liability

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

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

b) Amounts recognised in the Statement of Financial Position

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

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

42. Payments received in advance.

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Prepayments	0		1,172,321	
Total deposits	0		1,172,321	
Ageing analysis: (Refundable deposits)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	1,172,321	100%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	1,172,321	100%	0	%

43. Borrowings

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

43 a) Analysis of External and Domestic Borrowings

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

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43 b) Breakdown of Long and Short-Term Borrowings

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

44. Non-Current Provisions

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

45. Service Concession Arrangements

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

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46. Social Benefit Liabilities

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

47. Cash generated from operations.

Surplus for the year before tax	2024-2025	2023-2024
	Kshs	Kshs
Adjusted for:		
Adjusted for:		
surplus	19,625,772.	8,900,367
Decrease in Receivables from exchange transactions	(21,791,656)	(9,380,220)
Increase in long term receivables from exchange transaction	87,000	152,000
Increase in trade and other payables from exchange transactional	1,927,299	(2,384,359)
Increase in refundable deposit from customers	500	0
Amortization	0	604,000
Net cash from operating activities	772,667	(42278)

4. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	26,507,542	26,507,542	0	0
Bank balances	1,355,929	1,355,929	0	0
Total	27,863,471	27,863,471	0	0
At 30 June 2025			0	0
Receivables from exchange transactions	48,299,398	48,299,398	0	0
Bank balances	451,824	451,824	0	0
Total	48,751,222	48,751,222	0	0

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Financial risk management (continued)

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

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

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	144,990	265,544	1,083,550	1,494,084
Total	144,990	265,544	1,083,550	1,494,084
At 30 June 2025				
Trade Payables	1,488,448	1,770,780	162,155	3,421,383
Total	1,488,448	1,770,780	162,155	3,421,383

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

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

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.

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

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iv) Capital Risk Management

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Retained Earnings	46,065,839	26,439,566
Total Funds	46,065,839	26,439,566

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

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

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	xxx	xxx
Rent income from govt. agencies	xxx	xxx
Water sales to govt. agencies	xxx	xxx
Others	xxx	xxx
Total	xxx	xxx
B) Purchases from related parties		
Purchases of electricity from kplc	xxx	xxx
Purchase of water from govt service providers	xxx	xxx
Rent expenses paid to govt agencies	xxx	xxx
Training and conference fees paid to govt. agencies	xxx	xxx
Others	xxx	xxx

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Description	2024-2025	2023-2024
	Kshs	Kshs
Total	xxx	xxx
b) Grants /Transfers from the Government		
Grants from National Govt	xxx	xxx
Grants from County Government	xxx	xxx
Donations in Kind	xxx	xxx
Total	xxx	xxx
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for xx Employees	xxx	xxx
Payments for Goods and Services for XX	xxx	xxx
Total		
d) Key Management Compensation		
Directors' emoluments	xxx	xxx
Compensation to Key Management	xxx	xxx
Total	xxx	xxx

6. Segment Information

7. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	xxx	xxx
Assets arising from determination of Court Cases	xxx	xxx
Reimbursable Indemnities and Guarantees	xxx	xxx
Others	xxx	xxx
Total	xxx	xxx

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Contingent Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Liabilities	xxx	xxx
Court Case Xxx against	xxx	xxx
Bank guarantees in favour of subsidiary	xxx	xxx
Contingent liabilities arising from Contracts including PPPs	xxx	xxx
Others	xxx	xxx
Total	xxx	xxx

8. Capital Commitments

Capital Commitments	2024-2025	2023-2024
	Kshs	Kshs
Authorised for	xxx	xxx
Authorised and Contracted for	xxx	xxx
Total	xxx	xxx

Events after the Reporting Period

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

9. 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.

10. 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)
1.	Inaccuracies in the Financial Statements	Management admits the Inaccuracies in the financial statements However correction have been made in the subsequent year	Resolved	
2.1	Unsupported Expenditure on Use of Goods and Services	Management admits the concern of Unsupported Expenses Management have availed supporting documents for mention expenses. Management is committed to improve its internal controls in the subsequent year	Resolved	
2.2	Unsupported Travelling and Accommodation	The management acknowledges the audit concern of Unsupported Travelling and Accommodation.		

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		The management is committed to develop and maintain an imprest register.		
3	Unsupported Cash and Cash Equivalents Balance	<p>Management acknowledges the audit concern of unsupported Cash and Cash Equivalents Balance.</p> <p>Management is committed to improve its internal controls in the subsequent year to cab the weakness.</p>	Resolved	
4	Undisclosed Value of Property, Plant and Equipment	<p>Management admits the audit concern. Of Undisclosed Value of Property, Plant and Equipment.</p> <p>Management is committed to conduct valuation and disclose the PPE appropriately. The biological asset amounting to kshs.70, 000 has been separately disclosed.</p>	Not Resolved	6 months
5	Unsupported Trade and Other Payables Balance	Management have provide the supporting documents for the trade and other payables balance for audit verification	Resolved	
6	Non-Compliance with Law on Accreditation and Licensing of Trainers	Management acknowledges the Non-Compliance with Law on	Resolved	

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		Accreditation and Licensing of Trainers.		
	REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS,RISK MANAGEMENT AND GOVERNANCE			
1.	Outstanding Receivables from Exchange Transactions	Management has initiated recovery efforts including issuing fee reminders, conducting coordinated follow-ups through admissions and finance office, and engaging parents and guardians on repayment arrangements	Not Resolved	6 months
2.	Understaffing against Approved Staff Establishment	Management admit that there is understaffing. This is due inadequate funding.	Not Resolved	1 year
3.	Lack of internal audit function and audit committee	Management will establish an internal audit function and appoint a substantive internal auditor as provided for in law.	Not Resolved	1 year
4.	Risk Management Policy	Management have availed risk management policy	Resolved	
5.	Lack of an Approved Strategic Plan	Management have availed an approved strategic plan as	Resolved	

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		required by the Technical and Vocational Education and Training Act, 2013		
6.	Weak Information Technology (IT) Internal Controls	management will come up ICT and IT policies and form an IT steering committee	Not Resolved	1 year

Guidance Notes:

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

.....*M. Kilel*.....

Name *MARTIN K. KILEL*
 Accounting Officer
 (Enter title of Head of entity)
 Date *20/11/2025*.

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Appendix II: Projects Implemented by: Eldama Ravine Technical and Vocational College

Projects

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

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

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Status of Projects completion

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

Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity.....

Name of beneficiary entity.....

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Total					

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name Sign Date.....

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Appendix IV: Reporting of Climate Relevant Expenditures

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

Note: There were no expenditure incurred relating to Climate during the financial year under review.

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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

Note: There were no expenditure incurred relating to Disaster Management during the financial year under review.