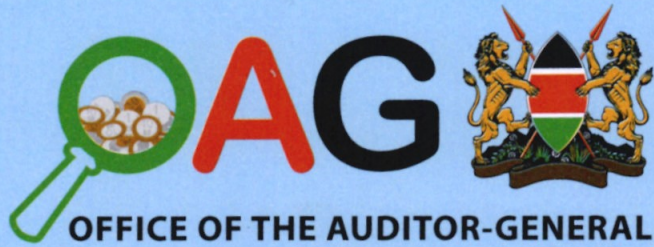


REPUBLIC OF KENYA



*Enhancing Accountability*



THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT**

DATE: 02 APR 2026 DAY Thursday

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OF KENYA  
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**OF**

TABLED BY:	Deputy Majority Whip Hon. Naomi Wiganjira
CLERK-AT-THE-TABLE:	Halima Ahmed

**THE AUDITOR-GENERAL**

**ON**

**KIPIPIRI TECHNICAL AND  
VOCATIONAL COLLEGE**

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



Revised 30th June 2025



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**KIPIPIRI TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30<sup>TH</sup> JUNE 2025**

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

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

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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

**B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

## **2. Key Entity Information and Management**

### **(a) Background information**

Kipipiri Technical and Vocational College is a public TVET institution under the ministry of Education and it is an integral part of the skills development system in the country. Its mandate is derived from the TVET Act 2013 and it is responsible for offering skills development programs to youth and adults in the technical, business and scientific fields in order to satisfy the needs of the national economy.

Its construction started in 2014 under phase I which comprised of 60 TTIs through the government initiative to construct a TTI in each of the 290 constituencies.

Kipipiri TVC is built on a 2.2 Hectares plot at Mawingo shopping centre along the Olkalou- Engineer road in a quiet environment conducive for learning.

### **(b) Principal Activities**

The core objectives are:

- Provide adequate and appropriate skilled Artisans, Craftsmen, Technicians and Technologists at all levels of the economy through practical training and experience.
- To offer demand driven and market driven courses through collaboration with industries.
- Provide increased training opportunities for the increasing number of school leavers, learners and trainees to increase employability.
- Provide continuously upgrading of skills and knowledge at the pace and ability of the trainees.
- Provide a dynamic curriculum responsive to the manpower needs of a dynamic economy impart marketable skills, technical know-how and attitude that respond to contemporary labour market demands by the industry, informal sector and for self-employment.

#### **Motto:**

Empower with Skills and Technology.

#### **Vision:**

A College of Choice in TVET and Innovative Research.

#### **Mission:**

To develop high quality human resource with emphasis on technical academic excellence and development programs to meet the growing technological and socio economic needs of our nation and the world at large.

#### **Mandate:**

To create, promote and continuously provide relevant and up-to-date technological skills required by an advancing industrial economy.

### **(c) Key Management**

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

- Board of Governors.
- Principal

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

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	Alexander Maina Mwangi
2.	Deputy Principal Admin	Isaac Mwangi Kanua
3.	Deputy Principal Academics	Esther Wambui Kariuki
4.	Finance Officer	Joyce Nyambura Maina
5.	Dean of Students	Maureen Nyawira Kinyua
6.	Registrar	Joseph Ngaruiya Mwangi
7.	H.O.D Electrical	Dennis Kuria Kimama
8.	H.O.D ICT	Juliah Muthoni Gatonye
9.	H.O.D Agriculture	Miriam Ngina Mugo
10.	H.O.D Hospitality	Joyce Wanjiru Kimani
11.	H.O.D Building Department	Dennis Kiprotich Kogo

**(e) Fiduciary Oversight Arrangements**

The key fiduciary Oversight committees are:

- I. Education, Research and Development Committee  
Members
  - CarolineGakibi– Chairperson.
  - DanielKinyajui–B.O.GMember.
  - DrKerubo–B.O.GMember.
  
- II. Finance, Planning and Administration Committee  
Members
  - DavidKimani-Chairman.
  - George Gori-B.O.GMember
  - CarolineGakibi– Member
  
- III. Audit and Risk Management Committee  
Members
  - DanielKabira–Chairman.
  - YvetteOlande-B.O.GMember

**(f) Entity Headquarters**

P.O.Box438-20303OL-  
 KALOUKENYAMAWINGOSHOPPINGC  
 ENTREOLKALOU- ENGINEER  
 ROADOLKALOU,KENYA

**(g) Entity Contacts**





Telephone:+254 -727069870

E-mail:[kipipiritechnical2016@gmail.com](mailto:kipipiritechnical2016@gmail.com)





**(h) Entity Bankers**


1. Equity Bank  
Ol-Kalou Branch, Kenya  
Account1 Name:Kipipiri Technical and Vocational College  
Account Number: 0620276272211  
  
Account2 Name:Kipipiri Technical and Vocational College  
Account Number: 0620280602888
2. Co-operative Bank  
Ol-Kalou Branch, Kenya  
Account1 Name: Kipipiri Technical and Vocational College  
Account Number: 01139467681000  
  
Account2 Name: Kipipiri Technical and Vocational College  
Account Number: 01139467681001

**3.The Board of Governors**



<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p><b>DAVID NJOROGE</b> <b>(CHAIRMAN B.O.G)</b></p>	<p>Date of birth:1970  Date of appointment:12<sup>th</sup>February2024  Key qualification: Masters in Education.  Work experience: He has 30 years experience in Education sector. He is a former B.O.G member at A.F.C.  He is currently working as a project manager at Kipipiri NG-CDF.</p>
2.	 <p><b>ALEXANDER MAINA MWANGI</b> <b>(PRINCIPAL/SECRETARY B.O.G)</b></p>	<p>Work experience: Has 32 Years teaching in TVET institutions.  Date of birth:27<sup>th</sup> January 1967  Date of appointment: 22<sup>nd</sup> December 2022  Key qualification:MBA Strategic Management.  Work experience: Has 32 Years teaching in TVET institutions.He is currently working as the Principal Kipipiri Technical and VocationalCollege</p>
3.	 <p><b>CAROLINE NJERI GIKIBI</b> <b>(BOG Member/ Leadership and Management).</b></p>	<p>Date of Birth: 09<sup>th</sup> April1994  Dateofappointment:29<sup>th</sup>January2018  Key qualification: She holds a Master of Public Policy and Administration and a Bachelors of Arts (Economic sand Sociology).   Work Experience: Has five years work experience having worked as a sales executive, marketing executive and is currently a liaison officer in the office of the majority leader, county government of Nyandarua</p>
4.	 <p><b>DANIEL KABIRA WAMAE</b></p>	<p>Date of birth: 7<sup>th</sup> August1983  Dateofappointment:12<sup>th</sup> February 2024  Key qualification: He holds B.com in (Finance) and CPA(K).  Working Experience: He has 13 years working experience in Finance and Accounting..</p>

**Kipipiri Technical And Vocational College**  
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	(BOG Member/Industry)	
5.	 <b>GEORGE GORI</b> <b>(BOG Member/Economics)</b>	<p>Date of birth: 1973  Date of appointment: 12<sup>th</sup> February 2024  Key qualification: Bachelors in Economics  Work Experience: He has 30 years of experience in economics. He is a former B.O.G Member at Laikipia East TVC. He is currently practising law at Nyeri law court</p>
6.	 <b>DIANA KERUBO AGOKI</b> <b>(BOG Member/Industry)</b>	<p>Date of birth: 1968  Date of appointment: 12<sup>th</sup> February 2024  Key qualification: She holds a Masters in Business Administration  Work Experience: She has consultancy experience for 30 Years in strategy design, development, monitoring and implementation in institutions.</p>
7.	 <b>YVETTE RACHIER OLENDE</b> <b>BOG Member /Administration</b>	<p>Date of birth: 1989  Date of appointment: 12<sup>th</sup> February 2024  Key qualification: Masters in Business Administration  Work Experience: She has 15 Years experience in structure engineer and various related fields.</p>
8.	 <b>DAVID KAMAU KIMANI</b> <b>(BOG Member/Engineering)</b>	<p>Date of birth: 24<sup>th</sup> September 1991  Date of appointment: 12<sup>th</sup> February 2024  Key qualification: He is a Bachelor of Construction Management from University of Nairobi.  Work experience: He has 8 years working experience in constructions.</p>

9.	 <b>DANIEL NGOCHI KINYANJUI</b> <b>( Governor Representative)</b>	<p>Date of birth:1973 Date of appointment:12<sup>th</sup> February 2024</p> <p>Key qualification: He holds a Masters in Tourism Management. Work experience; He has 13 years experience as a lecturer at Chuka University. He is currently working as a lecturer at Chuka University.</p>
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**4. Key Management Team**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p><b>ALEXANDER MAINA MWANGI(PRINCIPAL/SECRETARY B.O.G</b></p>	<p>Date of birth:27<sup>th</sup> January 1967  Date of appointment: 22<sup>nd</sup> December 2022</p> <p>Key qualification: MBA Strategic Management.</p> <p>Work experience: Has 32 Years teaching in TVET institutions. Currently working as the Principal Kipipiri Technical and Vocational College</p>
2.	 <p><b>JOYCE NYAMBURA MAINA (FINANCE OFFICER)</b></p>	<p>Date of birth: 1991</p> <p>Key qualification: Bachelor in Business Administration and a CPA(K)</p> <p>Work Experience: She has 4Years of experience in Accounting .Currently working as a finance office at Kinangop Technical and Vocational college.</p>

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<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
3.	 <p><b>ISAAC KANUA MWANGI (DEPUTY PRINCIPAL(ADMINISTRATION))</b></p>	<p>Date of birth:1993  Date of appointment: 28<sup>th</sup> April 2023</p> <p>Key qualification: Masters of science in computer systems.</p> <p>Work experience: Has 6 Years teaching in TVET institutions. He is currently working as Deputy Principal (Administration ) at Kipipiri technical and vocational college.</p>
4.	 <p><b>ESTHER WAMBUI KARIUKI (DEPUTY PRINCIPAL ACADEMICS)</b></p>	<p>Date of birth: 1987</p> <p>Key qualification: Bachelor of education</p> <p>Work Experience: 10Years experience in teaching in technical institutions. Currently working as a Deputy Principal Academics at Kipipiri technical and vocational college.</p>

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

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**5. Chairman's Statement**

It is my pleasure to present the Financial Report and Accounts of the Kipipiri Technical and Vocational College for the year ended 30<sup>th</sup> June 2025. Kenya today requires acceleration of her usage of specialized skills, knowledge and innovation to support and expand her economy.

Science and technology is a solution for sustainable development and a key driver in achieving vision 2030.

Kipipiri TVC intends to use ICT integration to fasten and improve service delivery as well as increasing the quality and diverse range of products offered.

Kipipiri TVC has positioned itself to empower young people by equipping them with the required scientific and technological knowledge, skills and attitudes that may accelerate their ability to produce common goods in a better way and also come up with new products that will go a long way in developing the social economic welfare of the people of Nyandarua county and Kenya in general.

Since inception, Kipipiri TVC has endeavored to improve its service delivery through teamwork, effective leadership and coordinated efforts in order to achieve a comparative advantage within an increasingly competitive educational sector.

The institution was registered as a public institution in 2016 and is offering market driven programs approved by TVETA and Examined by KNEC. More programs will be added in the near future as we anticipate actualizing Big Four Agenda.

I wish to thank the college Board of Governors for dedicating their time and effort to steer and provide governance support to the college affairs. I express my sincere gratitude to the Government of Kenya, Ministry of Education, development partners and other stakeholders for their continued support. This has gone a long way towards establishing a solid institution that is true to its mandate and stakeholders' expectations.

It is my pleasure to present the Financial Report and Accounts of the Kipipiri Technical and Vocational College for the year ended 30th June 2025

On behalf of the board of governors, management, staff, and students of Kipipiri Technical and Vocational College. I would like to thank the government through the Cabinet Secretary, Ministry of Education for allowing me to serve in this great institution. In the FY2024/2025 the following were achieved.

**In the financial year 2024/2025, the board achieved the following:**

1. Constructed a building and civil engineering workshop that is being used for training as well as hosting an office and a store.
2. Constructed a carport that can hold eight vehicles.
3. Acquired various training and learning equipment in the workshops, as well as equipment for extracurricular activities.
4. There was an increase in gross enrolment from 700 to 904.
5. The management was able to facilitate staff for a team-building activity at Lalanasi Resort.
6. The management was able to procure a double-door refrigerator for use by the hospitality department.

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

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7. The College participated in the regional drama and music festivals as well as in athletics.
8. The Institution was able to hold student council elections, and the council took an induction course.
9. The college was able to construct a dairy shed and acquired two Alpine sheep (male and female) for training the Agriculture students.
10. The management was able to install an enterprise resource planning (MIS) system that has five modules, i.e., Finance, Exams, Procurement, Admissions, and a college portal.
11. The college was able to install CCTV covering the whole college to help with security issues.
12. The BOG executed its mandate while taking note of the Performance Contracting requirements.

The board envisages continuing to grow the institute and aims to:

1. Construct an ablution block
2. Acquire additional tools and equipment for training.
3. Install solar lighting.
4. Tilling of the Hair and Beauty and the Food and Beverages workshop.
5. Increase student enrolment to 1000 trainees.

Whereas the college made significant strides during the year, there were challenges, especially on delays and non-remittance of funds by the Ministry of Education, which hampered the college's planned operations and expansion. However, the board continues to engage various stakeholders, especially our National and county governments, for continued support. Finally, the board wishes to thank all the stakeholders for their support and humbly requests that this continue into the future

Thank you,



Mr. David Njoroge

**Chairman, Board Of Governors**  
30<sup>TH</sup> August 2025.

## **6. Report of the Principal**

Kipipiri Technical and Vocational College is well placed to provide adequate and relevant training to its graduates that enable them to contribute towards the attainment of our Kenya's Vision 2030 strategic objectives and the Big Four Agenda. In furtherance of our mandate, therefore, we have committed to consistently and regularly reviewing, improving, and consolidating the college programs in ways that will ensure their competitiveness in terms of quality and relevance and address the needs of society, especially on the CBET programmes and dual training.

KTVC has developed and continually improved in the provision of quality customer services. We have a service charter that informs our customers of the expected services and the accompanying requirements. We have embraced technology in the provision of our services, such as, admissions, fee payments and exams, procurement, and a college portal with an ERP Systems.

Under my leadership and the overall direction of the College Board, we were able to ensure that financial resources were prudently utilized for optimum results. Despite the many challenges brought about by economic constraints and the delays in the release of the funds by the MOE, the College nevertheless continued to discharge its mandate of training, research, and outreach programmes as outlined under its core mandate.

### **The challenges experienced by the College.**

- i) Non-remittance of capitation, HELB, and scholarship funds, and this affected the institution's operations, more so the intended projects and training materials for the trainees.
- ii) Inadequate land acre age for the expansion necessary for extracurricular activities.
- iii) Inadequate public service trainers are posted, which makes the institution hire more trainers under BOG terms, which is expensive.
- iv) Lack of adequate student hostels.

### **Risk Management**

The college has put in place a robust risk management strategy. This involves a quarterly review of the risks the college faces and developing mechanisms to mitigate them. Furthermore, the college has been consistently conducting internal audits, and the findings are submitted to the board of governors for discussion and ratification for better management of the institution.

### **Future Development**

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

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- i) Tilling of the Hospitality workshops.
- ii) Emphasis on the Green Environment Concept to incorporate environmental sustainability and efficiency.
- iii) To construct an ablution block to take care of the ever-increasing number of trainees.
- iv) Re-painting of the whole block and give it a new look.
- v) To establish linkages with industries.
- vi) To promote good governance.
- vii) Tilling of the ICT workshop.

**Highlights of FY 2024 /2025 performance**

The Financial Year 2024/2025 started when the country was undergoing robust changes in the education sector through presidential directives on the reforms in the education ministry, especially on the competence-based education and training curriculum (CBET).

Management conducted robust marketing strategies that were aimed at increasing enrollment of more students in the college to ensure the institution's operations remain optimum.

**Projects Undertaken**

During the Financial Year under review:-

1. Construction of a workshop ( B& C).
2. Construction of a car park.
3. Continued equipping of the college workshops.
- 4 Installations of CCTV cameras for the security surveillance in the college.
5. Installation of an enterprise resource planning system (MIS)
6. Trainers were retooled on modularization.

On behalf of the College Board of Governors and the top management, I take this opportunity to thank the Government for its unequivocal support during the year under review. I also appreciate the financial, material, and moral support of stakeholders, collaborators, partners, and friends during the year.

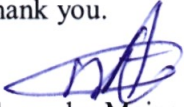
On behalf of the Kipipiri Technical and Vocational College Board and staff, I wish to take this opportunity to thank the government and all the stakeholders for their continued support.

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

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Finally, I would like to express my sincere gratitude to the Board of Management for their guidance on the college governance, oversight roles, and strategic guidelines; the entire College staff, students, and community who worked precisely to ensure smooth and successful operations of the College.

Thank you.



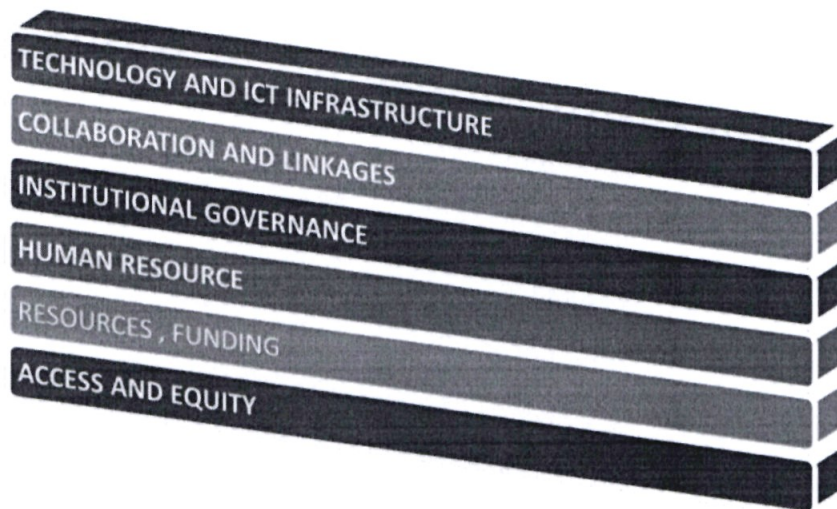
Alexander Maina Mwangi.  
Principal/ Secretary BOG.

**Kipipiri Technical And Vocational College**  
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**Review of Kipipiri Technical and Vocational College’s performance For Fy 2024/2025**

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

*Kipipiri Technical and Vocational College* has 6 strategic pillars and objectives within its Strategic Plan for the FY 2016/2017-2023/2024. These strategic pillars are as follows:



*Kipipiri Technical Vocational College* develops its annual work plans based on the above 6 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The *College* achieved its performance targets set for the FY 2024/2025 period for its 2 strategic pillars, as indicated in the diagram below:

A STRATEGIC PILLAR	Objective	Key Performance Indicators	Activities	Achievements
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**Kipipiri Technical And Vocational College**  
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Pillar 1: TECHNOLOGY AND ICT INFRASTRUCTURE	Promote effective application of ICT	<ul style="list-style-type: none"> <li>❖ Complete ICT infrastructures</li> <li>❖ Installation of Management Information System</li> <li>❖ ICT courses</li> </ul>	<ul style="list-style-type: none"> <li>❖ Develop adequate ICT capacity and infrastructure</li> <li>❖ Institutionalized Management Information System (MIS)</li> <li>❖ Promote the use of ICT in Curriculum delivery and management systems</li> </ul>	ICT courses are being offered in the institution MIS is in the process of being installed
	Enhance Equipment and Technology	<ul style="list-style-type: none"> <li>❖ Institution incubator and use of modern equipment and Technology</li> </ul>	<ul style="list-style-type: none"> <li>❖ Develop institution incubator</li> <li>❖ Promote use of modern equipment and Technology</li> </ul>	To be implemented
Pillar 2: Competitiveness	Enhance competitiveness	<ul style="list-style-type: none"> <li>❖ Increased students' numbers</li> </ul>	<ul style="list-style-type: none"> <li>❖ Strengthen existing competitiveness benchmarks</li> <li>❖ Establish new competitiveness benchmarks</li> </ul>	<ul style="list-style-type: none"> <li>❖ Student Number have continued to increase</li> </ul>
Pillar 3: INSTITUTIONAL GOVERNANCE	<ul style="list-style-type: none"> <li>❖ Improve Institutional corporate governance</li> <li>❖ Develop and Implement M &amp; E Systems</li> </ul>	<ul style="list-style-type: none"> <li>❖ Constant review of courses offered</li> <li>❖ Improved result-based management in the training system</li> <li>❖ Improved budget accuracy level</li> </ul>	<ul style="list-style-type: none"> <li>❖ Develop and implement institutional policies, strategies, and programmes (E.g. HIV/AIDS, Alcohol and drug abuse and health and safety, and environment)</li> <li>❖ Embrace results based management in the training system</li> <li>❖ Develop and implement M&amp;E systems</li> <li>❖ Fast track institutional expenditure review</li> </ul>	<ul style="list-style-type: none"> <li>❖ New courses being offered</li> <li>❖ Improved budget accuracy</li> </ul>
Pillar 4: HUMAN RESOURCE	<ul style="list-style-type: none"> <li>❖ Harness Human resource</li> </ul>	<ul style="list-style-type: none"> <li>❖ Increased number of Staff to match</li> </ul>	<ul style="list-style-type: none"> <li>❖ Increase staff at PSC and BoG levels</li> <li>❖ Develop competencies</li> </ul>	<ul style="list-style-type: none"> <li>❖ New staff BoG have been</li> </ul>

**Kipipiri Technical And Vocational College**  
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		The increasing Number of students	In staff	employed
	❖ Improve And sustain relevance of skills		<ul style="list-style-type: none"> <li>❖ Ensure quality assurance and standards</li> <li>❖ Promote Innovativeness in ST&amp;I</li> <li>❖ Establish the Center of excellence</li> <li>❖ Improve the quality of work culture Strategy</li> </ul>	
Pillar 5:FINANCIAL RESOURCES	❖ Diversify sources and increase funding	<ul style="list-style-type: none"> <li>❖ New Development partners</li> <li>❖ Enhanced existing partners' relationship</li> <li>❖ Increase in government development funds</li> </ul>	<ul style="list-style-type: none"> <li>❖ Increase GoK funding</li> <li>❖ Exploit external funding possibilities through developed criteria</li> <li>❖ Expand in come generation at institutional level</li> </ul>	<ul style="list-style-type: none"> <li>❖ There are development partners funding development projects.</li> <li>❖ The institution continues to receive development funds from the government.</li> </ul>
Pillar 6:ACCESS AND EQUITY	Enhance Access and equity	<ul style="list-style-type: none"> <li>❖ Improved training programmes in MSE sector.</li> <li>❖ Expansion of facilities</li> </ul>	<ul style="list-style-type: none"> <li>❖ Expand facilities based on government priorities</li> <li>❖ Support TVET trainees</li> <li>❖ Promote affirmative action for TVET trainees</li> <li>❖ Reform and enhance education, training, and guidance services.</li> <li>❖ Improve training programmes in MSE sector.</li> <li>❖ Offer higher level programmes</li> </ul>	<ul style="list-style-type: none"> <li>❖ Expansion of facilities achieved</li> </ul>

## **7. Corporate Governance Statement**

Kipipiri TVC is committed to good corporate governance, which promotes the long-term interests of the Government of Kenya and any other stakeholder, that strengthens Board and management accountability and helps build public trust in the College.

The Board is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education, to oversee the Government's interest in the long-term success of the college and its financial strength in order to discharge its mandate. The Board serves as the ultimate policy making body of the college, except for those matters reserved to or shared with the Government of Kenya. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the college in line with the Technical, Vocational, Education & Training Act of 2013 and the constitution of the Republic of Kenya.

The Board of Governors held Four Full board meetings and two subcommittee meetings in the financial year 2024/2025. The current board was appointed on 19<sup>th</sup> February 2024 for a term of 3 years ending 18<sup>th</sup> February 2027.

There are three subcommittees of the board currently in place, namely; The key fiduciary Oversight committees are:

- a. Education, Research and Development Committee (Three members)
- b. Finance, Planning and Administration (Three Members)
- c. Audit and Risk Management Committee (Two Members)

Under the TVET act of 2013, the functions of Board of Governors as set out under section 28(1) shall 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; (1) 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 maybe remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;

- (i) Developing and reviewing programmes for training and to make representations there onto the Board;
- (j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications frame work and the provisions of this Act;
- (k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
- (l) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry;
- (m) 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;
- (n) Making regulations governing organization, conduct and discipline of the staff and students;
- (o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- (p) Providing for the welfare of the students and staff of the institutions;
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
- (r) Discharging all other functions conferred upon it by this Actor any other written law.

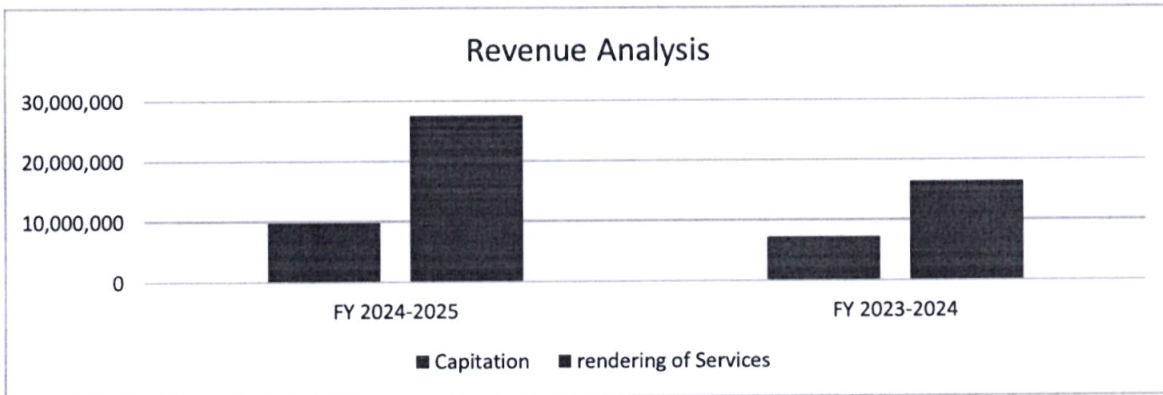
The board in the period it has been in existence has endeavoured to discharge its functions independently with vigour and passion. Their diligence and prudent management of resources has been result-oriented and much has been achieved during their term in office. They have been able to interpret government policies and TVET Act as well as other relevant laws in existence making the institution to move forward as we actualize the strategic plan. Moving forward, the Board is aligning its discharging of duties by improving on its operations while surpassing the set targets where possible. In the interest of quality service delivery, the board is able to read from the same script as the render their duties above board. This will be attained with the incorporation of team spirit and self-sacrifice that is deep within them

**8. Management Discussion and Analysis**

**Kipipiri Technical and Vocational College operational and financial performance**

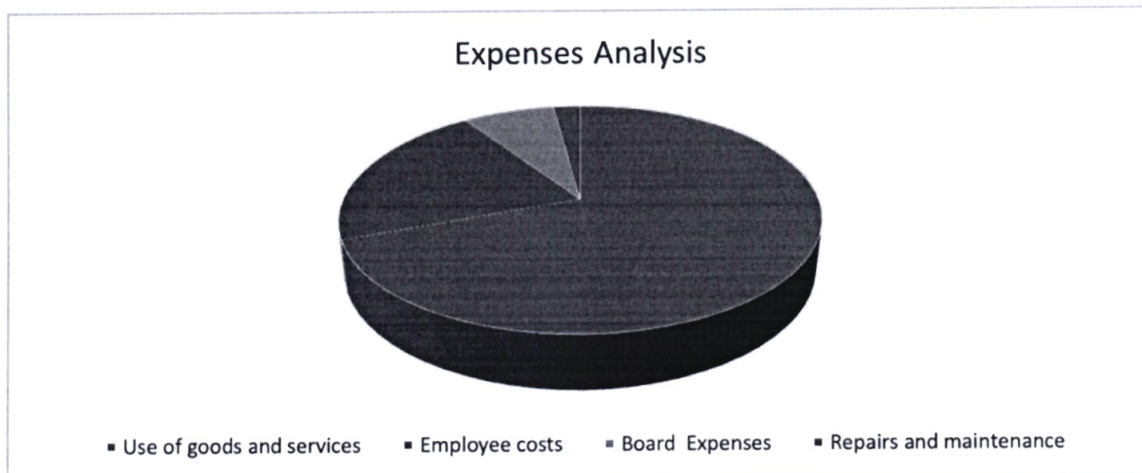
During the year ended 30<sup>th</sup> June 2025, the College enrolled 204 students. The education sector faced a number of challenges occasioned by the change of the new funding model

Below are the graphs and pie charts analyzing the revenues and expenses of the institution?



The above graph compares the revenues between the financial year 2023/2024 and 2024/2025. Rendering of services income is expected to increase in financial year 2025/2026 compared to previous financial years due to a higher allocation of HELB loan.

The contribution of each expense as a percentage of total expenses is as shown below.



**Kipipiri Technical and Vocational College compliance with statutory requirements**

Kipipiri Technical and Vocational College complies to deduction and remittance of statutory deductions such NHIF, NSSF, Housing Levy, NITA and PAYE. The college adhere to Asset Disposal and Procurement Act and others enacted laws.

***Major risks facing the organization.***

The institutes' major risks are mainly related to its core business, which is training, and human resource development. Some of the identified risks include;

- i. Low student enrolment.
- ii. Uncertainty of the new funding model
- iii. In adequate student accommodation and support facilities
- iv. Delayed disbursement of capitation and HELB grants

**Key projects and investment decisions**

## **9. Environmental And Sustainability Reporting Statement**

### **Sustainability strategy and profile**

Kipipiri Technical and Vocational College exists to transform lives by instilling skills to the trainee that will make the resourceful the surrounding societies. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, putting the customer/Student first, delivering quality training, and improving operational excellence.

### **Environmental performance**

With the guidance of National Environment policy 2013, Kipipiri Technical and Vocational College seek to reduce negative environmental impact caused by improper way of living in several ways such as:

1. Encouraging proper disposal of non-decomposing items
2. Continuous planting of tree
3. Water harvesting to ensure that there is clean water for consumption in case of drought.

### **Employee welfare**

Kipipiri Technical and Vocational College follow a competitive recruitment and Selection policy while hiring its employee whereby they put into account gender ratio. The entity ensures there is continuous training for the employee.

### **Market place practices-**

Kipipiri Technical and Vocational College has ensured fair competition through offering the best skills to the trainees and ensuring that its trainers get continuous training to deliver as expected. The entity ensures that there is equitability in service delivery to all the trainees irrespective of gender and ethnicity.

The entity ensures that it follow the supply chain process as clearly outlined under the procurement and Disposal act.

Kipipiri Technical and Vocational College deploys various methods in advertising its services and creating awareness such as social media, fliers and follow up. There is also actively involved in educating the surrounding on proper ways of Sanitation to ensure we maintain a healthy environment.

### **Corporate Social Responsibility / Community Engagements**

During the year under review, the college carried out various CSR activities to impact the society like tree planting and children homes visits.

## **10. Report of the Board of Governors**

The Board members submit their report together with for the year ended 30<sup>th</sup> June 2025 which show the state of Kipipiri Technical and Vocational College affairs.

### **Principal Activities**

The principal activities of the entity are training and development of human resource in various fields

### **Results**

The results of the Kipipiri TVC for the year ended 30<sup>th</sup> June, 2025 are set out on page 1 to 17.

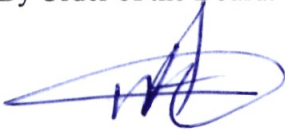
### **Board of Governance**

The members of the Board who served during the year are shown on pages vi and vii.

### **Auditors**

The Auditor General is responsible for the statutory audit of Kipipiri TVC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board.



Alexander Maina Mwangi  
Principal/Secretary BOG  
Date:..

**11. Statement of Board of Governors Responsibilities**

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

The Board of governors are responsible for the preparation and presentation of Kipipiri TVC financial statements, which give a true and fair view of the state of affairs of Kipipiri TVC for and as at the end of the financial Year 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 Kipipiri TVC; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of governors accept responsibility for Kipipiri TVC financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the TVET Act of 2013). The board of governors are of the opinion that Kipipiri TVC financial statements give a true and fair view of the state of Kipipiri TVC transactions during the financial year ended June 30, 2025, and of Kipipiri TVC financial position as at that date. The Board of governors further confirms the completeness of the accounting records maintained for Kipipiri TVC, which have been relied upon in the preparation of Kipipiri TVC financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The Board approved the Kipipiri TVC financial statements on 25<sup>th</sup> August 2025

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

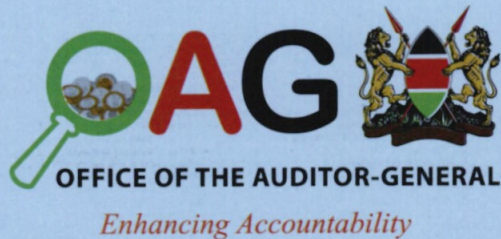
*David Njorge*  
.....

Name *[Signature]*  
Chairperson of the Board/Council

*Alex Maera Mwarige*  
.....

Name *[Signature]*  
Accounting Officer/Principal

# REPUBLIC OF KENYA



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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 KIPIPIRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

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### 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 Kipipiri Technical and Vocational College set out on pages 1 to 48, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kipipiri 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 Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Inaccuracies in the Financial Statements**

The statement of financial performance reflects rendering of services-fees from students of Kshs.27,518,336 while the statement of cashflows reflects an amount of Kshs.10,830,214 resulting in unreconciled variance of Kshs.16,688,122. Further, review of the statement of financial position reflects cash and cash equivalents balance of Kshs.2,803,112 while the original financial statements submitted for audit had a balance of Kshs.2,604,960. However, Management did not support the amended balances with bank reconciliation statements.

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

### **2. Unsupported Accounts Receivables from Exchange Transactions**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.30,347,960. However, the receivables were not supported with general ledgers, aging analysis and detailed schedule showing the opening balance, additional receivables within the year, receivables settled and the outstanding balance as at 30 June, 2025. Further, it was noted that receivables increased from Kshs.15,207,263 in previous period to Kshs.30,347,960 in the year under review resulting in an unexplained increase of Kshs.15,140,697 (99.6%). In addition, Management did not explain the measures in place to collect the outstanding receivables.

In the circumstances, the accuracy and completeness of receivables from exchange transactions balance of Kshs.30,347,960 could not be confirmed.

### **3. Incomplete Fixed Assets Register**

Review of the asset register availed for audit revealed that the Vocational Institute did not have a consolidated Fixed Asset Register prepared in a format prescribed by IPSAS 45 whose minimum requirements are; Identification or serial number, acquisition date, description of asset, location, class, cost of acquisition, accumulated depreciation, net

book value and assets are tagged with identification codes. However, the asset register presented for audit did not disclose acquisition period and value could not be ascertained. As a result, the total value of Kshs.89,769,782 worth of assets disclosed in the financial statement could not be traced in the assets register provided. In addition, it was observed that the Institute does not have in place policies and procedures relating to asset management and non-current assets were not physically inspected on a regular basis.

The Institute also did not maintain a register of land and buildings recording each parcel of land and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, leasehold terms, maintenance contracts.

In the circumstances, the completeness, accuracy, and valuation of the non-current assets balance of Kshs.89,769,782 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kipipiri 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 final revenue budget and actual on comparable basis of Kshs.51,278,155 and Kshs.34,131,441 respectively resulting in revenue shortfall of Kshs.17,146,714 or 33% of the budget. Similarly, the statement reflects actual expenditure of Kshs.17,566,346 against an approved budget of Kshs.51,278,155 resulting to an under expenditure of Kshs.33,711,809 or 66% of the budget.

In the circumstances, the under-funding and under expenditure may have affected the operations and planned activities of the College and hence impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

## **Other Matter**

In the audit report of the previous years, several issues were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the matters have remained unresolved.

## **Other Information**

The Management are responsible for the Other Information set out on page iii to xviii which comprise of Key Entity Information and Management, Statement of Performance Against Predetermined Objectives for the year, Management Discussion Analysis, Environmental and Sustainability Reporting and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Kipipiri Technical and Vocational College 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. Irregular Procurement of Enterprise Resource Planning (ERP) System**

The statement of financial position and Note 20 to the financial statements reflects intangible assets balance of Kshs.732,800. Review of financial records revealed that an expenditure of Kshs.900,000 was incurred for the supply, customization, testing and maintenance of Enterprise Resource Planning (ERP) system. Review of procurement documents revealed that the Organization did not comply with the provisions of Sections 70 to 87 of the Public Procurement and Asset Disposal Act, 2015, which requires the procuring entity to advertise the procurement opportunity or use a list of prequalified

suppliers when issuing Requests for Quotations. Further, the audit established that formation of tender opening and evaluation committees, conducting of proper evaluation, preparation of professional opinion, approval of award by the accounting officer were not followed.

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

## **2. Irregular Issuance of Imprests**

The statement of financial performance and Note 9 to the financial statements reflects use of goods and services balance of Kshs.13,027,476. Included in the balance is an amount of Kshs.2,408,284 incurred on travel and accommodation. Review of financial records revealed that imprests were issued without the use of duly approved imprest warrants, contrary to Regulation 91 of the Public Finance Management (PFM) Regulations, 2015. Further review confirmed that the imprests issued were not adequately supported by the necessary supporting documents such as activity reports, attendance registers and receipts. In addition, it was noted that multiple imprests were issued to staff with no evidence of surrender of the initially issued imprest, contrary to Regulations 93 (4,5,8).

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

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

## **REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the

effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

09 December, 2025

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


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

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	6,613,105	7,273,425
Grants from donors and development partners		0	0
Transfers from other levels of government		0	0
		<b>6,613,105</b>	<b>7,273,425</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	7	27,518,336	16,365,300
Miscellaneous income		0	0
<b>Revenue from Exchange transactions</b>		<b>27,518,336</b>	<b>16,365,300</b>
<b>Total Revenue</b>		<b>34,131,441</b>	<b>23,638,725</b>
<b>Expenses</b>			
Use of goods and services	9	13,027,476	12,318,898
Employee costs	10	2,921,218	3,416,228
Board Expenses	11	1,238,257	613,000
Depreciation and amortization expenses	12	7,369,573	8,412,284
Repairs and maintenance	13	379,395	399,436
<b>Total Expenses</b>		<b>24,935,919</b>	<b>25,159,846</b>
<b>Net surplus/(deficit) for the year</b>		<b>9,195,522</b>	<b>(1,521,121)</b>

The Financial Statements set out on pages 1 to 7 were signed by:

  
 .....  
**Chairman of Board**

Date 17/11/25

  
 .....  
**Principal**

Date 17/11/25

  
 .....  
**Finance Officer**

ICPAK No:4619  
 Date 17/11/25

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


**14. Statement of Financial Position As At 30th June 2025**

Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	14	2,803,112	2,542,667
Current portion of receivables from exchange transactions	15	30,347,960	15,207,263
Receivables from non-exchange transactions	16	0	0
<b>Total Current Assets</b>		<b>33,151,072</b>	<b>17,749,930</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	19	89,036,982	89,369,411
Intangible assets	20	732,800	16,000
Investment property		0	0
Biological Assets		0	0
<b>Total Non-Current Assets</b>		<b>89,769,782</b>	<b>89,385,411</b>
<b>Total Assets (A)</b>		<b>122,920,854</b>	<b>107,135,341</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	22	374,220	364,765
Refundable deposits from customers	23	421,400	350,000
Payments received in advance	27	2,331,379	1,584,626
<b>Total Current Liabilities</b>		<b>3,126,999</b>	<b>2,299,391</b>
<b>Net Asset</b>		<b>119,793,855</b>	<b>104,835,950</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation		0	0
Deferred income		0	0
<b>Total non- current liabilities</b>		<b>0</b>	<b>0</b>
Revaluation Reserves			
Accumulated Surplus		(3,092,470)	(18,096,593)
Capital Fund		122,886,325	122,932,543
<b>Net Assets</b>		<b>119,793,855</b>	<b>104,835,950</b>

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

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The Financial Statements set out on pages 1 to 7 were signed by:



.....  
**Chairman of Board**

Date 17/11/25



.....  
**Principal**

Date 17/11/25



.....  
**Finance Officer**

**ICPAK No:4619**

Date 17/11/25

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

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2023</b>	<b>0</b>	<b>(24,987,756)</b>	<b>131,344,827</b>	<b>106,357,071</b>
Revaluation gain	0	-	-	-
Surplus/(deficit) for the year	0	(1,521,121)	-	(1,521,121)
Capital grants received during the year	0	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	0	8,412,284	(8,412,284)	-
<b>At June 30, 2024</b>	<b>0</b>	<b>(18,096,593)</b>	<b>122,932,543</b>	<b>104,835,950</b>
<b>At July 1, 2024</b>	<b>0</b>	<b>(18,096,593)</b>	<b>122,932,543</b>	<b>104,835,950</b>
Revaluation gain				
Surplus/(deficit) for the year		9,195,522		9,195,522
Capital grants received during the year			7,323,355	7,323,355
Transfer of depreciation/amortisation from capital fund to Retained earnings		7,369,573	(7,369,573)	0
<b>At June 30, 2025</b>		<b>(3,092,470)</b>	<b>122,886,325</b>	<b>119,793,855</b>

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

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

Description		FY 2024-2025	FY 2023-2024
	Note	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		6,613,105	7,273,425
Rendering of services- fees from students		10,830,214	11,654,346
Scholarship		3,237,417	-
<b>Total Receipts</b>		<b>20,680,736</b>	<b>18,927,771</b>
<b>Payments</b>			
Use of goods and services		13,027,476	12,318,898
Employee costs		2,921,218	3,416,228
Board Expenses		1,238,257	613,000
Repairs and maintenance		379,395	399,436
<b>Total Payments</b>		<b>17,566,346</b>	<b>16,747,562</b>
<b>Net Cash Flows from operating activities</b>	32	<b>3,114,389</b>	<b>2,180,209</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		2,853,944	879,590
Proceeds from sale of property, plant and equipment		0	0
<b>Net cash flows used in investing activities</b>		<b>2,853,944</b>	<b>879,590</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		0	0
<b>Net cash flows used in financing activities</b>		<b>0</b>	<b>0</b>
<b>Net Increase/(Decrease)in Cash and Cash equivalents</b>		<b>260,445</b>	<b>1,300,619</b>
Cash and Cash equivalents at 1 July 2024	26	<b>2,542,667</b>	<b>1,551,150</b>
<b>Cash and Cash equivalents at 30 June 2025</b>	26	<b>2,803,112</b>	<b>2,542,667</b>

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
<b>Budget carryovers from the previous year*</b>	-	0	0	0	0	0
<b>Receipts</b>						
Transfers from other National Government entities	10,500,000	0	10,500,000	6,613,105	649,478	37%
Rendering of services- fees from students	40,778,155	0	40,778,155	27,518,336	13,259,819	33%
Sale of goods	0	0	0	0	0	
Miscellaneous Income	0	0	0	0	0	
<b>Total Receipts</b>	<b>51,278,155</b>		<b>51,278,155</b>	<b>34,131,441</b>	<b>13,909,297</b>	
<b>Payments</b>						
Use of goods and services	22,925,230	0	22,925,230	13,027,476	9,897,754	43%
Employee costs	6,000,000	0	6,000,000	2,921,218	3,078,782	51%
Board Expenses	1,500,000	0	1,500,000	1,238,257	261,743	17%
Repairs and maintenance	1,031,031	0	1,031,031	379,395	651,636	63%
<b>Total Expenditure Payments</b>	<b>31,456,261</b>	<b>0</b>	<b>31,456,261</b>	<b>17,566,346</b>	<b>13,889,915</b>	
<b>Capital Expenditure Payments</b>	<b>19,821,894</b>		<b>19,821,894</b>			
<b>Surplus</b>				<b>16,565,095</b>		

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**Budget notes**

- 1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14*
- 2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
1	Reason for differences	0
2	Reason for differences	0
3	Reason for differences	0
4	Reason for differences	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	0

**18. Notes to the Financial Statements**

**1. General Information**

Kipipiri Technical and Vocational College entity is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer technical skills and knowledge.

**2. Statement of Compliance and Basis of Preparation**

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

**3. Adoption of New and Revised Standards**

(When an IPSAS becomes effective on 1st January 20, it is applicable in Kenya from 1st July 2025)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> 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 cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.

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	<i>There is no impact of the standard to the entity</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>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.</p> <p><i>There is no impact of the standard to the entity</i></p>
IPSAS45: Property Plant and Equipment	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>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.</p> <p><i>There is no impact of the standard to the entity</i></p>
IPSAS 46: Measurement	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>There is no impact of the standard to the entity</i></p>
IPSAS47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></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><i>There is no impact of the standard to the entity</i></p>

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IPSAS48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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><b><i>There is no impact of the standard to the entity</i></b></p>
IPSAS49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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><b><i>There is no impact of the standard to the entity</i></b></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></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"><li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li><li>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.</li><li>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.</li></ol> <p><b><i>There is no impact of the standard to the entity</i></b></p>

**iii. Early adoption of standards**

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

**b) Budget information**

- c) The Council or Board approved the original budget for FY 2024/2025 on 15<sup>th</sup> July 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of 15<sup>th</sup> July 2024 on the FY 2024/2025 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented.

**d) Taxes**

***Current income tax***

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

***Sales tax/ Value Added Tax***

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

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

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

**e) 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 their useful life 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.

**f) 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.

**g) 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.

**h) 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.

**i) 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.

**j) 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.

**k) Financial instruments**

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

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

##### **Subsequent measurement**

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

##### **Amortized cost**

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

##### **Fair value through net assets/ equity**

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

### **Fair value through surplus or deficit**

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

### **Trade and other receivables**

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

### **Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. 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.

### **l) 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*.

#### **m) 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***

Kipipiri Technical and Vocational College does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *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.

#### **n) 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.

**o) Nature and purpose of reserves**

Kipipiri Technical and Vocational College creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

**p) Changes in accounting policies and estimates**

Kipipiri 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.

**q) Employee benefits**

**Retirement benefit plans**

Kipipiri 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.

**r) 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.

**s) 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.

**t) Related parties**

Kipipiri 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

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Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

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**u) Service concession arrangements**

Kipipiri 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.

**v) 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.

**w) Comparative figures**

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

**x) 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 Kipipiri 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	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	5,624,450	2,000,000
Operational Grant	988,655	5,273,425
Development grants	-	-
Other Grants	-	-
<b>Total unconditional Grants</b>	<b>6,613,105</b>	<b>7,273,425</b>

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

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Education	6,613,105	0	0	6,613,105	7,273,425
XX Ministry	-	-	-	-	-
<b>Total</b>	<b>6,613,105</b>	<b>-</b>	<b>-</b>	<b>6,613,105</b>	<b>7,273,425</b>

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**7. Rendering of Services**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Tuition Fees	27,518,336	16,365,300
<b>Total Revenue from The Rendering of Services</b>	<b>27,518,336</b>	<b>16,365,300</b>

*(Provide brief explanation for this revenue)*

**8. Sale of Goods**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
	0	0
Sale of Books	0	0
Sale of Publications	0	0
Sale of Farm Produce	0	0
Cafeteria sales	0	0
Other sales (specify)	0	0
<b>Total Revenue from Sale of Goods</b>	<b>0</b>	<b>0</b>

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**9. Use of Goods and Services**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Teaching and learning materials	1,689,573	4,252,970
Industrial attachment costs	129,500	37,500
Electricity	461,887	554,327
Water	18,580	0
Security	448,500	412,500
Professional and consultancy services	110,000	0
Subscriptions	208,000	358,200
Advertising	718,370	311,609
Examination fees	3,360,030	0
Fees refund	0	18,600
Travelling and accommodation	2,408,284	3,062,430
Fuel and oil	0	0
Insurance	20,000	22,750
Postage	1,700	8,225
Printing and stationery	280,911	364,935
Skills development levies	0	0
Telephone expenses	334,000	190,000
Internet expenses	333,769	323,945
Training expenses	0	0
Administrative Expenses	434,515	500,698
Activity Fee	841,497	712,550
Cleaning Expenses	91,810	77,195
Performance Contract(PC)	143,600	49,800
Seminars and Training	436,920	287,148
Student Council	114,950	158,950
Team Building	383,500	201,600
Strategic Plan	30,920	0
Bank Charges	26,660	14,311
News Paper	0	2,300
Misllaneous Expenses	0	27,500
Academic Trip	0	10,800
Mpesa transaction Fee	0	1,330
Medical Expenses	0	14,800
PSC Recruitment	0	409,120
<b>Totalgood and services</b>	<b>13,027,476</b>	<b>12,318,898</b>

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**10. Employee Costs**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries and wages	2,921,218	3,412,328
Casual Wages	0	3,900
Employee related costs-contributions to pensions and medical aids	0	0
Travel, motorcar, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	0	0
Overtime payments	0	0
Social contributions	0	0
<b>Employee Costs</b>	<b>2,921,218</b>	<b>3,416,228</b>

**11. Board Expenses**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Chairman's Honoraria	0	0
Directors Emoluments	0	0
Other Allowances	0	0
Board Expenses	1,238,257	613,000
<b>Total</b>	<b>1,238,257</b>	<b>613,000</b>

**12. Depreciation and Amortization expense**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property, plant and equipment	7,369,573	8,412,284
Intangible assets		
Investment property carried at cost		
<b>Total depreciation and amortization</b>	<b>7,369,573</b>	<b>8,412,284</b>

**13. Repairs and Maintenance**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Property	379,395	399,436
Investment property—earning rentals	0	0
Equipment and machinery	0	0
Vehicles	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
<b>Total Repairs and Maintenance</b>	<b>379,395</b>	<b>399,436</b>

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**14. Cash and Cash Equivalents**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Account	2,699,954	2,439,509
Development Account	103,158	103,158
<b>Total Cash and Cash Equivalents</b>	<b>2,803,112</b>	<b>2,542,667</b>

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

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
<b>a) Current Account</b>			
Co-operative Bank	01139467681000	764,791	615,167
Equity Bank	0620276272211	1,935,162.51	1,824,342
<b>Sub- Total</b>		<b>2,699,953.51</b>	<b>2,439,509</b>
<b>b) Development</b>			
Co-operative Bank	01139467681001	1,080	1,080
Equity Bank	0620280602888	102,078	102,078
Cash in Hand		-	103,158
<b>Sub- Total</b>		<b>103,158</b>	<b>2,542,667</b>
<b>Grand Total</b>		<b>2,803,112</b>	<b>2,542,667</b>

**15. Receivables from Exchange transactions**

**15(a) Current Receivables from Exchange transactions**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	30,347,960	15,207,263
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
<b>Total Current Receivables</b>	<b>30,347,960</b>	<b>15,207,263</b>

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**15(b) Long- term Receivables from Exchange transactions**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Non-Current Receivables</b>		
Refundable Deposits	0	0
Advance Payments		
Public Organizations		
Less: Impairment Allowance		
<b>Total</b>		
Current Portion Transferred To Current Receivables		
<b>Total Non-Current Receivables</b>		
<b>Total Receivables</b>	<b>0</b>	<b>0</b>

**15(c) Ageing Analysis of Receivables from Exchange transactions**

Description	FY 2024-2025		FY 2023-2024	
	Current	% of total	Comparative FY	% of total
Less than 1 year		32%		100%
Between 1- 2 years		68%		%
Between 2-3 years		%		%
Over 3 years		%		%
<b>Total (a+b)</b>		<b>100%</b>		<b>100%</b>

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	0	0
Provisions during the year	0	0
Recovered during the year	0	0
Write offs during the year	0	0
At the end of the year	<b>0</b>	<b>0</b>

*(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)*

**16. Receivables from Non-Exchange transactions**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Current Receivables</b>	0	0
Capitation Grants*	0	0
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less :Impairment Allowance	0	0
<b>Total Current Receivables</b>	<b>0</b>	<b>0</b>

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

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

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	<b>0</b>	<b>0</b>

**17. Inventories**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Consumable stores	0	0
Maintenance stores	0	0
Health Unit stores	0	0
Electrical stores	0	0
Cleaning Materials stores	<b>0</b>	<b>0</b>
Catering stores	0	0
Less: Impairment allowance	0	0
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>0</b>	<b>0</b>

*(Provide brief explanation on inventories)*

**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			Nominal Value of Shares	Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding		Insert Current FY	Insert Comparative FY
					%	%
Entity A						
Entity B						

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**18. Prepayments**

Description	FY 2024-2025	FY 2023-2024
	Kshs.	Kshs.
Insurance	0	0
Rent	0	0
Water	0	0
Internet	0	0
Others ( <i>Specify</i> )	0	0
<b>Total</b>	0	0

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**19. Property, Plant and Equipment**

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Depreciation Rate</b>		<b>2%</b>	<b>12.5%</b>	<b>30%</b>	<b>20%</b>	
<b>At 1 July 2023</b> (previous year)	12,000,000	53,000,000	3,576,070	2,761,398	105,849,800	177,187,268
Additions	-	332,640	350,000	196,950	-	879,590
Disposals	-	-	-	-	-	-
Transfers/Adjustments	-	4,000,000	-	-	-	<b>4,000,000</b>
Revaluation	-	-	-	-	-	-
<b>At 30<sup>th</sup> June 2024</b> (previous FY)	<b>12,000,000</b>	<b>57,332,640</b>	<b>3,926,070</b>	<b>2,958,348</b>	<b>105,849,800</b>	<b>182,066,858</b>
Additions		2,009,519	26,080	56,700	761,645	2,853,944
Disposals						
Transfer/Adjustments						
Revaluation						
<b>At 30<sup>th</sup> June 2025</b> (current year)	<b>12,000,000</b>	<b>59,342,159</b>	<b>3,952,150</b>	<b>3,015,048</b>	<b>106,611,445</b>	<b>184,920,802</b>
<b>Depreciation And Impairment</b>						
<b>At 1 Jun 2023</b> (previous year)	-	5,092,198	1,952,630	2,118,033	71,126,302	80,289,163
Depreciation	-	964,809	246,680	252,095	6,944,700	8,408,284
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
<b>At 30 Jun 2025</b> (current year)	-	<b>6,057,007</b>	<b>2,199,310</b>	<b>2,370,128</b>	<b>78,071,002</b>	<b>88,697,447</b>
Depreciation	-	1,065,703	219,105	193,476	5,708,089	7,186,373
Disposals	-					
Impairment	-					
Transfer/Adjustment	-					
<b>At 30<sup>th</sup> Jun 2025</b> (current	<b>0</b>	<b>7,122,710</b>	<b>2,418,415</b>	<b>2,563,604</b>	<b>83,779,091</b>	<b>95,883,820</b>

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Cost <i>year)</i>	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Net Book Values</b>						
<b>At 30<sup>th</sup> Jun 2024</b>	<b>12,000,000</b>	<b>47,275,633</b>	<b>1,726,760</b>	<b>588,220</b>	<b>27,778,798</b>	<b>89,369,411</b>
<b>At 30<sup>th</sup> Jun 2025</b>	<b>12,000,000</b>	<b>52,219,449</b>	<b>1,533,735</b>	<b>451,444</b>	<b>22,832,354</b>	<b>89,036,982</b>

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**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

**19 (b) Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	12,000,000	0	12,000,000
Buildings	59,342,159	7,122,710	52,219,449
Plant And Machinery	106,611,445	83,779,091	22,832,354
Motor Vehicles including Motorcycles	0	0	0
Computers and Related Equipment	3,015,048	2,563,604	451,444
Office Equipment, Furniture, And Fittings	3,952,150	2,418,415	1,533,735
<b>Total</b>	<b>184,920,802</b>	<b>95,883,820</b>	<b>89,036,982</b>

**20. Intangible Assets**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Cost</b>	<b>20%</b>	
<b>At beginning of the year</b>	<b>25,000</b>	<b>25,000</b>
Additions	0	0
<b>At end of the year</b>	<b>25,000</b>	<b>25,000</b>
Additions–internal development	900,000	0
<b>At end of the year</b>	<b>925,000</b>	<b>25,000</b>
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	9,000	5,000
Amortization	183,200	4,000
<b>At end of the year</b>	<b>192,200</b>	<b>9,000</b>
Impairment loss	0	0
<b>At end of the year</b>	<b>192,200</b>	<b>9,000</b>
<b>NBV</b>	<b>732,800</b>	<b>16,000</b>

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**21. Biological Assets**

	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Trees in a plantation forest	0	0
Animals: Dairy Cattle, Pigs, Sheep	0	0
Others (Specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*(Provide the necessary disclosures)*

**22. Trade and Other Payables**

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Trade payables	374,220		364,765	
Fees paid in advance	0		0	
Salary deductions	0		0	
Third-Party Payments	0		0	
Other Payables	0		0	
<b>Total Trade and Other Payables</b>	<b>374,220</b>		<b>364,765</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	374,220	100%	364,765	
1-2 years	0	%	0	
2-3 years	0	%	0	
Over 3 years	0	%	0	
<b>Total (to tie to totals above)</b>	<b>374,220</b>	<b>%</b>	<b>364,765</b>	

**23. Refundable Deposits from Customers/Students**

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Consumer deposits				
Caution money	421,400		350,000	
Other refundable deposits	0		0	
<b>Total Deposits</b>	<b>421,400</b>		<b>350,000</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year		%		%

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1-2 years		%		%
2-3 years		%		%
Over 3 years		%		%
<b>Total (to tie to totals deposits above)</b>		<b>%</b>		<b>%</b>

*(Provide brief explanation)*

**24. Current Provisions**

Description	Leave provision	Bonus provision	Gratuity Provisions	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Balance at The Beginning of The Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additional Provisions	0	0	0	0	0
Provision Utilised	0	0	0	0	0
Change Due To Discount And Time Value For Money	0	0	0	0	0
Transfers From Non -Current Provisions	0	0	0	0	0
<b>Total Provisions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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**25. Finance Lease Obligation**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>At the start of the year</b>		
Discount interest on Lease Liability	0	0
Paid during the year	0	0
<b>At end of the year</b>	<b>0</b>	<b>0</b>

**Maturity Analysis**

Period	Amount
	Kshs
Year 1	0
Year 2	0
Year 3	0
Year 4	0
Year 5 and Onwards	0
Less: Unearned Interest	0
<b>Total</b>	<b>0</b>

**Analysed as:**

Description	Amount
	Kshs
Current	0
Non- Current	0
<b>Total</b>	<b>0</b>

**26. Deferred Income**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
National Government	0	0
International Funding Bodies	0	0
Public Contributions and Donations	0	0
<b>Total Deferred Income</b>	<b>0</b>	<b>0</b>

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The deferred income movement is as follows:

Description	National government	International funders/donors	Public contribution and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	0	0	0	0
Additions during the year	0	0	0	0
Transfers to capital fund	0	0	0	0
Transfers to income statement	0	0	0	0
Other transfers	0	0	0	0
Balance carried forward	0	0	0	0

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

**Analysed as:**

Description	Amount
	0Kshs
Current	0
Non- Current	0
<b>Total</b>	<b>0</b>

**Retirement benefit Asset/ Liability**

The entity operates a defined benefit scheme for all full-time employees from July 1, 2025. The scheme is administered by NSSF while NSSF are the custodians of the scheme. The scheme is based on 5% 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 30th June 2025 by actuarial values 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:

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Discount Rates	0	0
Future Salary Increases	0	0
Future Pension Increases	0	0
Mortality (Pre- Retirement)	0	0
Mortality (Post- Retirement)	0	0
Withdrawals	0	0
Ill Health	0	0
Retirement	0	0

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**Recognition of Retirement Benefit Asset/ Liability**

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

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

- b) Amounts recognised in the Statement of Financial Position

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

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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. 6% of gross salary per employee per month. Other than NSSF the entity also has a defined contribution scheme operated by NSSF Pension Fund. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**27. Payments received in advance.**

Description	FY 2024-2025		FY 2023-2024	
	Kshs		Kshs	
Fees received in advance	2,331,379		1,584,626	
Others (Specify)	0		0	
<b>Total</b>	<b>2,331,379</b>		<b>1,584,626</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	746,753	%	1,584,626	%
1-2 years	1,584,626	%		%
2-3 years		%		%
Over 3 years		%		%
<b>Total</b>	<b>2,331,379</b>	<b>%</b>	<b>1,584,626</b>	<b>%</b>

**28. Borrowings**

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

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**28(a) Analysis of External and Domestic Borrowings**

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

**28b) Breakdown of Long and Short-Term Borrowings**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	0	0
Long Term Borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

**29. Non-Current Provisions**

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

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**30. Service Concession Arrangements**

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

**31. Social Benefit Liabilities**

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

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**32. Cash generated from operations.**

Surplus for the year before tax	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Adjusted for:</b>	9,312,264	(1,521,121)
Depreciation	7,289,573	8,412,284
Non-Cash grants received		
Contributed assets		
Impairment		
Gains and Losses on Disposal of Assets		
Contribution to provisions		
Contribution to impairment allowance		
Finance Income		
Finance Cost		
<b>Working Capital Adjustments</b>		
Increase in Inventory		
Increase in Receivables	-15,140,697	-7,953,203
Increase in Deferred Income	0	0
Increase in Payables	746,753	75,020
Increase in Payments received in advance	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>2,207,893</b>	<b>6,160,271</b>

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**33. 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
<b>At 30 June 2024 (previous year)</b>				
Receivables from exchange transactions				
Receivables from non-exchange transactions				
Bank balances				
<b>Total</b>				
<b>At 30 June 2025 (current year)</b>				
Receivables from exchange transactions	30,347,960	30,347,960		
Receivables from non-exchange transactions	0	0		
Bank balances	2,803,112	2,803,112		
<b>Total</b>	<b>33,151,072</b>	<b>33,151,072</b>		

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

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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 2024

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
<b>At 30 June 2024 (previous year)</b>				
Trade Payables				
Current Portion Of Borrowings				
Provisions				
Deferred Income				
Employee Benefit Obligation				
<b>Total</b>				
<b>At 30 June 2025 (current year)</b>				
Trade Payables	0	0	374,220	374,220
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
<b>Total</b>	<b>0</b>	<b>00</b>	<b>374,220</b>	<b>374,220</b>

**(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.

**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 0 (2025: Kshs0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 0 (2025 – Kshs 0)

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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	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	0
Capital Reserve	0	0
<b>Total Funds</b>	<b>0</b>	<b>0</b>
Total Borrowings	0	0
Less: Cash and Bank Balances	0	0
Net Debt/(Excess Cash and Cash Equivalents)	0	0
<b>Gearing</b>	<b>0</b>	<b>0</b>

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**34. 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 Kipipiri Technical and Vocational College, holding 100% of the Kipipiri Technical and Vocational College equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties include:

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

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

**35. Segment Information**

**(Contingent Assets and Contingent Liabilities)**

**Contingent Assets**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
<b>Contingent Assets</b>	0	0
Insurance Reimbursements	0	0
Assets arising from determination of Court Cases	0	0
Reimbursable Indemnities and Guarantees	0	0
Others ( <i>Specify</i> )	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**36. Events After The Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

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**19. 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)

**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.

.....*Alex Mweene Mwangi*.....

**Name**  
**Accounting Officer**  
 (Kipipiri Technical and Vocational College)  
**Date**

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**Appendix III- Inter-Entity Confirmation Letter**

*Kipipiri Technical and Vocational College*

*P.O Box*

*Olkalau*

The *Kipipiri Technical and Vocational College* wishes to confirm the amounts disbursed to us as at 30<sup>TH</sup> June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us

<b>Confirmation of amounts received by Kipipiri Technical and Vocational as at 30<sup>th</sup> June 2025</b>					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	<b>Capitation/Grant</b>				
	15/07/2024	499,827	0	499,827	
	2/10/2024	488,828	0	488,828	
	14/02/2025	4,042,425	0	4,042,425	
	23/09/2024	1,582,025	0	1,582,025	
		<b>6,613,105</b>		<b>6,613,105</b>	
	<b>Scholarship</b>				
	20/09/2024	557,496	0	557,496	
	20/09/2024	947,192	0	947,192	
	20/09/2024	1,007,260	0	1,007,260	
	24/09/2024	725,469	0	725,469	
		<b>3,237,417</b>		<b>3,237,417</b>	
<b>Total</b>					

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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 ..... ESTHER KAMALATHA ..... Sign ..... Kirichu ..... Date..... 17/11/2025 .....

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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		

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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 (Ksh s.)	Comments

