

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

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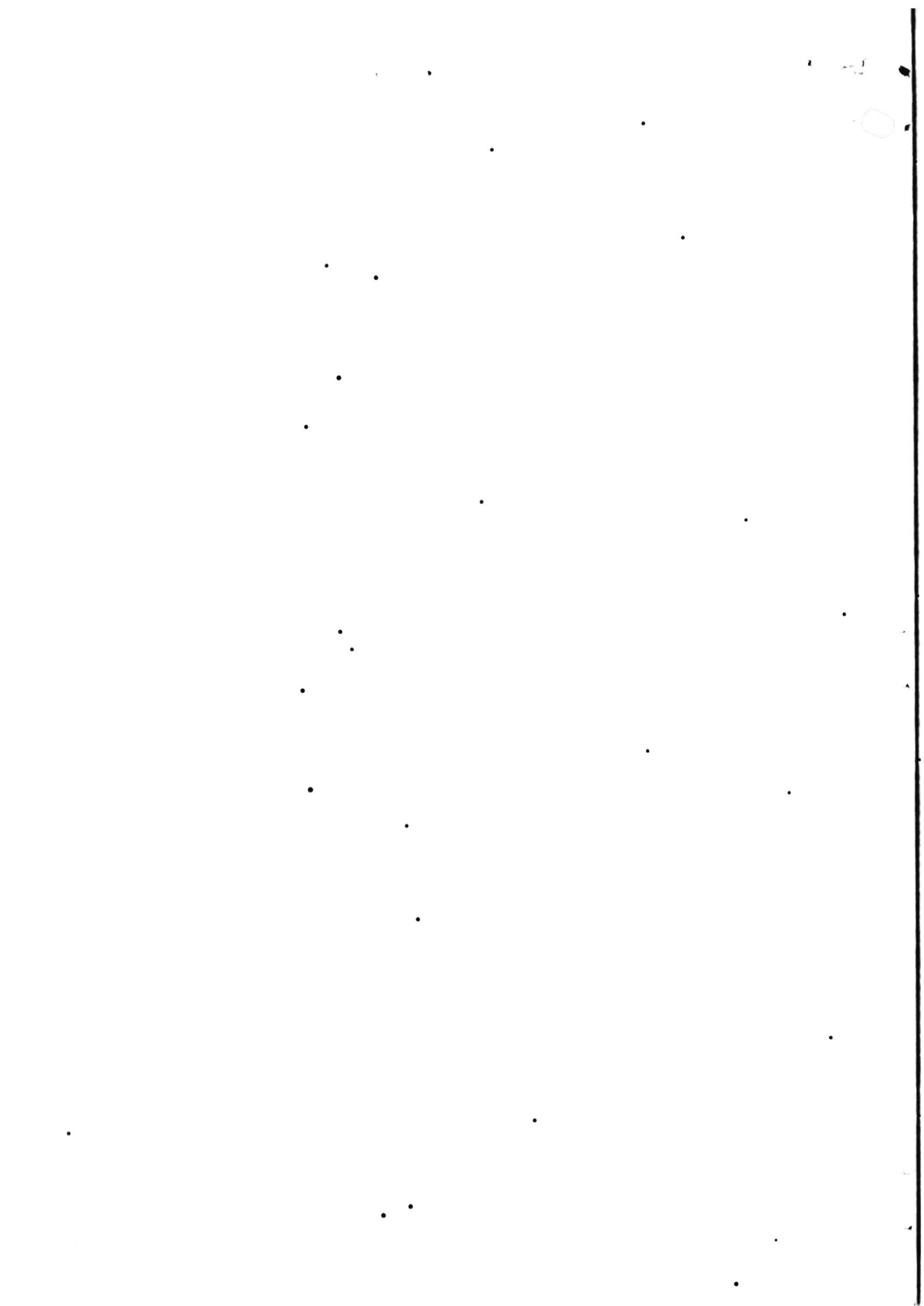
**UGUNJA TECHNICAL AND VOCATIONAL
COLLEGE**

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



UGUNJA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2025

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



Ugunja 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

AFI	Administration, Finance and Infrastructure
ACE AFRICA	Action in the Community Environment in Africa
ARM	Audit and Risk Management
BOG	Board of Governors
CSR	Corporate Social Responsibility
CBET	Competency Based Education and Training
ERT	Education, Research and Training
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KEFRI	Kenya Forest Research Institute
KISM	Kenya Institute of Supplies Management
KNEC	Kenya National Examination Council
MOU	Memorandum of Understanding
NHIF	National Hospital Insurance Fund
SHA	Social Health Authority
NG CDF	National Government Constituency Development Fund
NSSF	National Social Security Fund
PFM	Public Finance Management
OSHA	Occupational Safety and Health Act
PSASB	Public Sector Accounting Standards Board
SDGs	Sustainable Development Goals
SRC	Salaries and Remuneration Commission
TVC	Technical Vocational College
TVETA	Technical, Vocational Education and Training Authority
TVET	Technical, Vocational Education and Training
UJTVC	Ugunja Technical and Vocational College
KTTC	Kenya Technical Trainers College
KMTC	Kenya Medical Training College
DANIDA	Danish International Development Agency
SHOFCO	Shining Hope For Communities
UJTVC	Ugunja Technical and Vocational College
CDACC	Curriculum Development, Assessments and Accreditation Council
NITA	National Industrial Training Authority

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B. Definition of Key Terms

Fiduciary Management	Members of Management directly entrusted with the entity's financial resources.
Comparative Year	Means a similar prior period in the previous Financial Year
Work in Progress	Means that the program/work is on going

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2. Key Entity Information and Management

a) Background information

Ugunja Technical and Vocational College is a public Technical & Vocational College established under the TVET Act 2013 on 23rd January, 2020. The college opened its doors to the first intake of students in January 2020. It is domiciled in Kenya, under the Ministry of Education, State Department for Technical Vocational Education and Training. In executing its core mandate, the college is licensed to offer the following courses that are domiciled in their respective departments:

KNEC COURSES	
<p>Mechanical and Automotive Engineering Department:</p> <ul style="list-style-type: none"> i. Diploma in Mechanical Engineering (Production Option) ii. Diploma in Automotive Engineering iii. Craft Certificate in Mechanical Engineering (Production Option) iv. Craft Certificate in Automotive Engineering v. Metal Work Processing (Certificate) 	<p>Electrical and Electronics Engineering Department:</p> <ul style="list-style-type: none"> i. Diploma in Electrical Engineering ii. Craft Certificate in Electrical Engineering iii. Artisan in Electrical Engineering
<p>Building And Civil Engineering Department:</p> <ul style="list-style-type: none"> i. Diploma in Building Technology ii. Certificate in Building Technology iii. Certificate in Plumbing Technology iv. Artisan in Plumbing 	<p>Business Studies Department</p> <ul style="list-style-type: none"> i. Diploma In Supply Chain Management ii. Certificate In Supply Chain Management
<p>Computing and Informatics Department:</p> <ul style="list-style-type: none"> i. Diploma in ICT ii. Craft Certificate in ICT 	<p>Institutional Management Department</p> <ul style="list-style-type: none"> i. Diploma In Food and Beverage ii. Certificate In Food And Beverage iii. Artisan in Food and Beverage iv. Artisan In Hair Dressing And Beauty Therapy
<p>Liberal Studies Department:</p> <ul style="list-style-type: none"> i. Diploma In Social Work And Community Development ii. Certificate In Social Work And Community 	
CBET COURSES	
<p>Mechanical and Automotive Engineering Department:</p> <ul style="list-style-type: none"> i. Mechanical Technology Level 6 ii. Mechanical Technology Level 5 iii. Mechanical Technology Level 4 iv. Automotive Engineering Level 6 v. Automotive Engineering Level 5 vi. Welding And Fabrication Level 6 vii. Welding And Fabrication Level 5 	<p>Electrical and Electronics Engineering Department</p> <ul style="list-style-type: none"> i. Electrical Engineering Level 6 ii. Electrical Installation Level 6 iii. Electrical Engineering Operator Level 5 iv. Electrical Installation Level 5 v. Electrical Installation Level 4
<p>Building and Civil Engineering Department:</p> <ul style="list-style-type: none"> i. Building Technician Level 6 ii. Building Technician Level 5 iii. Masonry Level 4 iv. Plumbing Technician Level 5 v. Plumbing Technician Level 4 	<p>Computing and Informatics Department:</p> <ul style="list-style-type: none"> i. Information Communication Technician Level 6 ii. Information Communication Technician Level 5

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Liberal Studies Department: i. Social work and Community Development Level 6 ii. Social work and Community Development Level 5	Institutional Management Department: i. Food and Beverage Sales and Service Management Level 6 ii. Food and Beverage Sales and Service Management Level 5 iii. Food and Beverage Sales and Service Management Level 4 iv. Food and Beverage Production (Culinary Arts) Level 6 v. Food and Beverage Production (Culinary Arts) Level 5 vi. Food and Beverage Production (Culinary Arts) Level 4
Cosmetology and Fashion Design Department: i. Hair Dressing Level 5 ii. Hair Dressing Level 4 iii. Beauty Therapy Level 5 iv. Beauty Therapy Level 4	
Business Studies Department i. Supply chain management Level 6 ii. Supply chain management Level 5	

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b) Principal Activities

The principal mandate of Ugunja Technical and Vocational College is to offer Technical and Vocational Training.

VISION: A trend- setter in provision of transformative Training, Research and Innovation a transformative center of excellence in technical and business areas of training.

MISSION: To produce a transformative graduate with adaptive and innovative skills to face lifetime global challenges.

CORE VALUES: Professionalism, Team Work, Equity, Social Responsibility, Ethics and Integrity, Honesty, Transparency & Accountability and Respect.

CORE OBJECTIVES: The objectives and functions of the College are to;

- i. Provide directly, or in collaboration with other institutions of higher learning, facilities for technical trainers in technological, professional and scientific education;
- ii. Participate in technological innovation as well as in the discovery, transmission and enhancement of knowledge and to stimulate the intellectual life in the economic, social cultural, scientific, and technological development;
- iii. Contribute to industrial and technological development of Kenya in collaboration with industry and other organizations through transfer of technology;
- iv. Examine and make proposals for new diploma courses and subjects of study, departments, resource and research and innovation;
- v. Promote and establish a culture of innovation in engineering and technology, and technology transfer amongst staff and trainees;
- vi. Develop an institution with excellence in teaching, training, scholarship, entrepreneurship, research, consultancy, community service, among other educational services and products, with emphasis on technology, its development, impact and application within and outside Kenya.
- vii. Provide adequate and appropriate skilled Artisans, Craftsmen, Technicians and Technologists at all levels of the economy through practical training and work experience;
- viii. Provide increased training opportunities for the increasing school leavers and other trainees to increase employability;
- ix. Provide continuous upgrading of skills and knowledge at the pace and ability of the trainees;
- x. Provide a dynamic curriculum responsive to the manpower needs of a dynamic economy;
- xi. Impart marketable skills, technical know-how and attitudes that respond to contemporary labour market demands by the industry, informal sector and for self-employment;
- xii. To enhance the college and community social development through the promotion of effective broad based corporate social investment projects, while promoting access, sustainable use and benefit sharing of resources

c) Key Management

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

- Board of Governors
- Accounting Officer/Chief Principal
- Principal's Management Committee (PMC)
- Academic Committee

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d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Mrs. Audrey M.A Odhiambo.
2.	D/Principal (Administration)	Mr. Ben Onyango
3.	D/Principal (Academics)	Ms. Jennifer Muhonja
4.	Accountant	Mr. Jared Aketch
5.	Supply chain officer	Mr. Steven Wande
6.	Ag. Dean	Mr. Evans Nadecho
7.	Ag. Registrar	Mr. Geoffrey Ayoyi
8.	Human Resource Officer	Mr. Kevin O. Ochieng
9.	Performance Contract Coordinator	Mr. Job O Okuthe

e) Fiduciary Oversight Arrangements

The college has put in place measures and structures to enforce fiduciary and oversight arrangements and ensure compliance. The Board, which is the overall governance organ, so far comprises three key committees; the Administration, Finance and Infrastructure (AFI) committee, the Education, Research and training (ERT) committee and the Audit and Risk Management (ARM) committee. These committees provide policy direction and oversight to the College Management while advising on various policy matters relating to their mandate.

The main objective of the Administration, Finance and Infrastructure (AFI) committee is to assist the board in discharging its duties in relation to effective and efficient utilization of all the resources, operation of adequate systems, safeguarding of assets, control processes, preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards. The AFI Committee, as a Standing Committee of Board, will collaborate with, and respond to, Board to:

- i. Oversee the development and administration of policies, procedures and strategies that will promote prudent financial management, high quality infrastructural development and acceptable resource mobilization practices including recruitment, reward, retention, motivation and development of the Institution's staff;
- ii. Oversee the Institution's compliance with legal, statutory and regulatory requirements relating to finance, infrastructure and resource mobilization matters as well as compliance with ethical and quality standards adopted by the Institution.
- iii. Receive and consider proposals and reports on matters relating to finance, development projects and resource mobilization in the Institution and its campuses.
- iv. Oversee the development of policies and procedures to enhance effective and efficient utilization of all the resources of the Institution.
- v. Report to the Board on a regular basis regarding matters considered in each of the committee's meetings.

The Education, Research and Training (ERT) committee of the Board oversees the development and administration of policies, procedures and strategies that will promote high quality education, research and training across the Institution. The Committee, as a Standing Committee of Board, will collaborate with, and respond to, Board:

- i. To oversee the development and administration of policies, procedures and strategies that

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- i. will promote high quality education, research and training across the Institution;
- ii. To guide the Institution to meet its strategic aims and objectives in relation to education, research and training activities;
- iii. To develop high quality education courses and other activities to promote good practice within the relevant fields.

The Audit and Risk Management (ARM) Committee oversees the implementation of appropriate systems to identify, monitor and mitigate significant risks. The ARM Committee, as a Standing Committee of the Board, shall provide assistance to the Principal or to the Board and shall involve in all or a combination of the following duties and responsibilities:

- i. Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- ii. Oversee the implementation of developed policies, procedures and strategies that will promote effective and efficient management systems within Ugunja Technical and Vocational College;
- iii. Provide an independent review of the Institutions' reporting functions to ensure the integrity of the financial reports.
- iv. Ensure the Institution effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behavior.
- v. Provide oversight of the implementation of accepted audit recommendations and consider reports on matters relating to audit.
- vi. Provide strong and effective oversight of the Institution's internal audit function
- vii. Report to the Board regularly regarding matters considered in each of the committee's meetings. Further, the college has developed financial regulations and procedures and also submits its quarterly and annual financial statements and accounts to the relevant authorities for audit.

f) Entity Headquarters

P.O. Box 300-40606
Along Rambula – Sigomere Road
Ugunja, Kenya

g) College Contacts

Telephone: (+254)791226786
E-mail: info@ugunjatvc.ac.ke/ugunjatechcollege@gmail.com
Website: www.ugunjatvc.ac.ke

h) College's Bankers

Kenya Commercial Bank
Kisumu Airport Branch
P.O. Box 2093 – 40100
Kisumu, Kenya

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i) Independent Auditors

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

j) Principal Legal Adviser

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

3. The Board of Governors



Eng. Peter Oloo Okaka
Chairman

Engineer Okaka is the Chairman of the Board of Governors. He was born in 1945. He is a distinguished, renowned Mechanical Engineer and Education expert with over 30 years' experience having risen through the ranks to the current position. He is a holder of Masters of Science degree in Mechanical Engineering and a Bachelor of Science degree in Mechanical Engineering. He was appointed as Chairman of the College board for a term of three years with effect from 18th January 2023.

He previously served as Deputy Principal, KTTC from 1979 to 1981, after which he served as the Principal, Kenya Polytechnic from 1982-1985, where he oversaw transformation of the TVET college. Eng. Okaka was later in 1986 appointed as the Senior Deputy Director of Education at the Ministry of Education where he served till 1987. In 1988 to 2002 he also served as the Director Technical Training & Applied Technology. He is also a practicing educator as a lecturer from 2007 to 2008 where he was on Part-time mode but currently full-time lecturer at the School of Engineering and Technology, Kenyatta University. While at the Kenyatta University from the year 2012 to date, He serves as the Chairman, Mechanical Engineering department, School of Engineering and Technology serves as the chairman where he successfully initiated and carried out Staff professional programmes, workshops which culminated into accreditation mechanical engineering.



Audrey M. A Odhiambo
Principal/BOG Secretary

Mrs Odhiambo is the Chief Executive Officer and was appointed as the pioneer Principal of Ugunja Technical and Vocational college with effect from 29th June 2019 hence becoming the pioneer Secretary to the Board. She was born in 1971 and holds a Master's degree in Education (Guidance and Counselling) from Maseno University and Bachelor's degree in Education (Science) from Kenyatta University.

Before joining Ugunja TVC, she served as the Deputy Principal Siaya Institute of Technology from 2016 to 2019. Prior to this position, she served as the deputy Dean of Students in charge of Guidance and counselling department from 2015 to 2016. She also served in the same capacity previously at Migori Teachers Training College from 2010 to 2013. Prior to this, She was the head of department Biological Sciences department from 1999 to 2008 at St. Mary's School, Yala where she began her teaching career (biology /chemistry) in 1994. She has consistently produced excellent results and performance.

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Alice Keboga
BOG Member

Mrs Alice Keboga is a member of the Board appointed as a member of the Ugunja Technical and Vocational college with effect from 18th January 2023. She is a member of AFI and ERT committees of the board. She was born on 24/11/1979 and is a holder of a Masters in Public health (health promotion Option), Bachelors of Science degree in Community health and development, from Jaramogi Oginga Odinga University.

She is a certified Nurse with the Nursing Council Of Kenya. She is a career Nurse currently attached to Soi Sub-county overseeing HIV prevention from Mother to child Transmission. She is also working with the AMPATH-UZIMA, an NGO that is USAID funded. She has attended a health research course and is also an HIV AIDs Technical advisor. Previously she was a part-time Lecturer at Ugenya KMTC from 2019 May - 2023 January.



Dr. Neddy Cherotich Soi
BOG Member

Dr. Neddy Cherotich Soi professional Lecturer at Moi University. She was born on 26th January, 1988. She is a member of AFI committee. She was appointed as a member of the board of Ugunja TVC with effect from 18th January 2023. He is a holder of Doctorate in Business Management (finance) from Moi University, Master's Degree in Banking and finance – financial sector policy from Moi University- Kenya School of Monetary studies. Bachelor's degree in Business management –banking and finance from Moi University.

She is currently pursuing a Certified Public Accountant Course. He has undergone extensive training on financial accounting and management and has gained immense skills in the course of her career.

She is a Lecturer at Moi University-Annex Campus since 2015 to date She is a renowned researcher and has published several journals and is still working on others for publishing.



Mr. Lucas Ocharo
BOG Member (Chairperson,
Audit and Risk Management
BOG Committee)

Mr. Lucas Ocharo is a professional educationist. He was born on 25th December, 1959. He was appointed as a member of the Board of Ugunja Technical and Vocational College with effect from 18th January 2023 and is the chairman of Audit and Risk Management BOG Committee. He is a holder of Post Graduate Diploma in leadership and ICT from Dublin City and Bachelor's Degree in Education Science from University of Nairobi. Currently, he is pursuing a Master's degree in Education Technology. He is a consultant in leadership. He has been an Assistant Director of TVET manning Nyanza Region. Previously was a trainer in various TVET institutions in the Country.

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Dr. Rozilla Adhiambo
BOG Member (Chairperson,
Education Research And
Training BOG Committee)

Dr. Rozilla Adhiambo is the programme Manager with Africa Council for Religious leaders - Religions for peace. She was born on 20th August, 1964. She was appointed as a member of the Board of Ugunja Technical and Vocational College with effect from January 2023 and is the chairperson of the ERT committee.

She is a distinguished, seasoned program manager and has gained wide experience in Project Management having served in various positions and fields. She is a holder of PhD in Strategic Management, Master's degree in Strategic Management, Bachelor's degree in human resource management and Diploma in Education. Currently, she lectures in several Universities in Kenya and has publications in revered journals.

She served as a centre coordinator at the Ugunja campus of Jaramogi Oginga Odinga University of Science and Technology 2014 to 2017. Prior to this, in 2015-2016 she served as a Program Manager with CDTF/ DANIDA.

In 2011 she served as a Grants Officer at Pathfinder international in 2011. She also served as Programme manager & Officer from 2006 to 2011 at the Rangala Family Dev Programme. From 1999 to 2006 she served as the Education Project coordinator at Africa Network for prevention and protection against child abuse and Neglect. She began her career as a teacher in the early years of 1989 to 1999.



Mr. Umijah Ben Karilus
BOG Member (Chairperson –
Administration, Finance and
Infrastructure Committee)

Mr. Karilus Ben Nyaoro Umija is the Chairman of the Administration, Finance and Infrastructure BOG committee. He was born on 23rd September, 1954. He is a holder of Bachelor of Education, (B .Ed) degree.

He has risen up the ranks as an educator with over 30 years teaching experience as an educator. Served as a teacher from 1980 to 1989 when was appointed as the Principal of Sirembe mixed Secondary School where he served for twelve years. He was later appointed to Maliera Boy's High school in the same capacity for where he served for seven years. He also served as the Principal of Tanaka High School, Kisii School for one year before finally serving at the St. Mark's Obambo secondary school from 2011 to 2014 where he retired. He has gained wide experience in leadership and management and is a great resource to the college. He is the Governor's representative in the Board and was duly appointed in 2023.

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Eng. Jane Pauline Maeri Mito
BOG Member

Eng. Jane Pauline Maeri Mito is a Civil and Structural Engineer. She was born on 19th July, 1991. She was appointed as a member of the Board of Ugunja Technical and Vocational College with effect from January 2023 and is a member of ARM committee of the board.

She is a holder of Bachelor's Degree in Civil and Structural Engineering. She has served in various positions and fields and gained wide experience.

While at Kenya National Highways Authority in the Road asset and corridor management project she served as an Assistant Engineer from 2019 to date. Prior to this she served as Deputy Resident Engineer, from February 2018 to June 2019. Before this, she worked at Kabuto Contractors Limited from the year 2017 to January 2018. During the period ranging May 2016 to September 2016 she served at the Kenya Rural Road Roads Authority



Vivianne Mmbaka Komwonyo
BOG Member

Counsel Vivianne Mmbaka Komwonyo is a professional Legal Counsel. She was appointed as a member of the board on 18th January 2023 and serves as a member of Education Research and Training (ERT) and ARM BoG committees from and she was appointed for three years from January 2023. She was born on 3rd April, 1984. She is a holder of Masters of Law from UON, Bachelor of law from Moi University, (B. Ed) degree. She is a seasoned Counsel of the High Court. Further she has served as a County Attorney.



John Wamae
County Director




Mr John Wamae is the representative of the Principal Secretary State Department for TVET in the Board. He was born in 1969.

He is a holder of Master's degree in Statistics and a Bachelor's of Science degree holder in Mathematics. He has a wealth of experience TSC as a teacher and has risen up the ranks to become Quality Assurance and Standards Officer for TVET and currently is the TVET Regional Director for TVET Kisumu/Siaya.




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4. Key Management Team



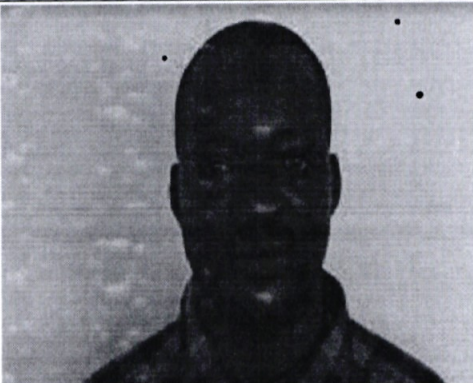
The following members of staff served in the Principal’s Management committee during the period ended 30th June 2025.

PMC Members	Responsibility
 <p>Audrey M.A Odhiambo Principal/BOG Secretary M. Ed, B Ed (Science)</p>	<p>Chief Executive Officer/Principal is responsible for the day to day operations at the College</p>
 <p>Mr. Benard Onyango The Deputy Principal, Administration. BSC. Hospitality Management.</p>	<p>The Principal assistant to the Principal and takes charge of all administrative aspects of the institution in the absence of the Principal.</p>
 <p>Jennifer Muhonja The Deputy Principal, Academics Master of Art (Project Planning and Management) BED(Arts)</p>	<p>The Principal assistant to the Principal and takes charge of all institutions’ academic issues in the absence of the Principal.</p>

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 <p>Geoffrey Ayoyi The Ag Registrar B Sc. Mathematics and Computer Science</p>	<p>Responsible for management of trainees' enrolment, registration, attendance, academic results, assessment and graduation.</p>
 <p>Evans N Nadecho The Ag. Dean of students B Sc. in Agricultural Engineering.</p>	<p>In charge of trainee affairs</p>
 <p>Job Okuthe Performance Contract Coordinator B. Eng. Electrical and Electronics Engineering</p>	<p>In charge of planning, coordination and implementation of Performance Contract at the College.</p>

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 <p>Jared Opiyo Aketch Accountant – CPA Finalist. Member of The Institute of Certified Public Accountant of Kenya. ICPAK Member No: ASSOC/4567</p>	<p>In charge of receiving college revenues, issuing receipts, processing of payment vouchers, bank reconciliations and maintenance of cash books.</p>
 <p>Steven Wandei Procurement Officer. Bachelor of Business Management (Purchasing and Supplies Management). Member of KISM Membership no: 70900</p>	<p>In charge of preparation, implementation and reporting of matters supply chain at the institution.</p>
 <p>Kevin Ochieng Oduor Human Resource Officer(H/DIP in HR, Diploma in Human Resource member of Kenya Institute of Human Resource Management</p>	<p>In charge of initiating, planning, implementing human resource annual targets, policies and ensuring compliances with all statutory and regulatory requirements.</p>

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5. Chairman's Statement

The college was launched on 31st August, 2019. The Second Board of Governors (BOG) were duly appointed in January 2023, inaugurated on 20th February, 2023 and inducted in April 2023 in line with the TVET Act No. 29 of 2013. Board of Governors comprise ten (10) members including the Principal and the County Director TVET: who is the representative of the Principal Secretary, State department for Technical, Vocational Education and Training.

The Board of Ugunja TVC is established pursuant to the provision of TVET Act No 29 of 2013 and mandated to: Oversee conduct of education and training, promote and maintain standards, quality and relevance; Administer and manage college property; Develop and implement the strategic plan; Prepare annual estimates of revenue and expenditure and incur expenditure on behalf of the institution; on behalf of the institution receive fees, grant, subscriptions, donations, bequests or other monies and make disbursements to the college or other bodies or persons determine the fees payable prescribing the condition under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of the TVET ACT No 29 of 2013. Pursuant to the provisions of TVET ACT 29 of 2013 which empowers the Board as the governing organ to "set up such committees as may be appropriate, three committees: The Administration, Finance and Infrastructure (AFI), Education, Research and Training (ERT) and Audit and Risk Management (ARM) committees were operational during this financial year 2024-2025. The ten board members are divided into three sub committees under the chairmanship of Eng. Peter Oloo Okaka as follows;

Board Committees	Members	
Administration, Finance and Infrastructure (AFI) Committee	Mr. Karilus Umija	Chairperson
	Dr. Nedddy Jerotich Soi	Member
	Mrs Alice Keboga	Member
Education, Research and Training (ERT) Committee	Dr. Rozilla Adhiambo	Chairperson
	Mrs. Alice Keboga	Member
	Counsel. Vivianne Mmbaka	Member
	Mr. John Wamae	Member
	Mrs. Alice Keboga	Member
Audit and Risk Management (ARM) Committee	Mr. Lucas Ocharo	Chairperson
	Mr. John Wamae	Member
	Ms. Jane Pauline Maeri Mito	Member
	Internal Auditor	Member

The Principal is the secretary to all the BOG committee meetings except for the ARM committee where the Internal Auditor is the secretary.

The board prepared a work plan that was approved for use for the financial year 2024/2025. It was aligned to the Strategic Plan and ensured compliance with all of the relevant statutory and regulatory requirements. During the year ending 30th June 2025, the BOG ensured compliance with all of the relevant statutory and regulatory bodies.

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The college had 29 Public Service Commission (PSC) trainers. In order to cater for the deficit during the year, twenty-four (24) trainers were contracted on BOG terms.

Seven trainers who were pursuing their pedagogical training course at different institutions completed in this financial year. One trainer from liberal studies department transferred to Moiben TTI, the Deputy Principal administration was deployed to Bondo Technical Training Institute. We had fourteen (14) trainers on teaching practice, four (4) interns and two (2) apprentices in the procurement and accounts departments respectively.

On infrastructure;

The construction work for the proposed and Civil engineering workshop phase 1A was completed. The college did not manage to continue with all internally funded activities as planned due to insufficient disbursement of FY 2024/2025 capitation and Government Scholarship.

On funding:

The following table summarizes the funding as received;

S/NO.	FINANCIER	AMOUNT	BENEFICIARIES
1	Capitation	17,771,000	1,039
2	Scholarship Grant	8,942,856	220
3	HELB Loan	12,567,161	609
4	HELB Bursary	45,000	9
5	Direct Payments By Students	12,714,088	-
6	Bursaries	1,157,700	162
7	Production Unit	415,007	-
	TOTAL	53,612,812	

The total expected revenue was Kshs. 106,038,124 giving a deficit of Kshs. 52, 425,312.

Challenges

The major challenge that the institution faced was late, inadequate and inconsistent disbursement of the Government capitation grant and scholarship grant to meet its budgetary obligation typified by insufficient disbursement of all the Quarters' Capitation and scholarship by the Government. Given the exponential growth/enrolment and financial status of the institution, the BOG surveyed other sources of resource mobilization by successfully appealing to the Ugunja CDF, the Shining Hope for Communities (SHOFCO), ACE Africa to sponsor young mothers among other financiers. Further, the Board, through the secretary, did a follow-up on the monies owed by the government for possibilities of making good its pledges on funding. State Department for Technical, Vocational, Education and training, Ministry of Education. The board has approved the proposals for production units as an alternative of funding its own activities and the management was able to acquire a heifer to supplement for its food and beverage departmental requirement. Finally, the board also appeals to the relevant Government agencies to release sufficient funds in good time to enhance quality service delivery.

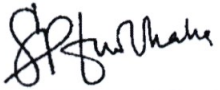
As a way of ensuring quality service delivery and performance management, the Board prepared an annual work plan to ensure that what gets measured gets done. With this, the college was roped into the 21st Cycle Performance Contract (PC), timely submitted its 1st, 2nd, 3rd and 4rd quarterly reports

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to the relevant agencies, and was evaluated in February 2025 and attained a composite score of 3.3071 which is equivalent to Good performance. The BOG commits to continue partnering with all other relevant stakeholders as a way of supporting the management in offering top notch training and become the Centre of excellence that this great college is marked for.

Sign: _____



Date: 27th November, 2025

Ugunja Technical and Vocational College
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6. Report of the Chief Principal

Ugunja Technical and Vocational College is a growing public Technical and Vocational institution in its fifth year of operation. It was launched on 31st August, 2019. The new Board of Governors (BOG) were nominated, duly appointed in January 2023, inaugurated in February 2023 and inducted in April 2023 in line with the TVET ACT NO. 29 of 2013. Board of Governors comprise of ten members including the Principal and the County Director TVET: who is the representative of the Principal Secretary.

The management is in the process of continual establishment of its structures to serve and anchor its vision on a solid foundation and entrench it on key values and attitudes relevant to training graduates who can competently manipulate every opportunity.

The institution has completed its thirteenth, fourteenth and fifteenth academic terms in the FY 2024-2025 in its sixth year of being operationalized. Structures, policies, procedures and processes were still being developed and some reviewed to align them with the change of curriculum, emerging issues and with the policies of the Government of the day. The college finalized its fifth generation Strategic Plan 2023-2027 and submitted it to the National Treasury and Economic Planning, State Department for Economic Planning for concurrence which was affirmative. The annual report FY 2024-25 report is hereby presented as per the provisions of the relevant statutory and regulatory requirements.

The college had a lean non-teaching staff (15), two cleaners, two administrative assistants, two officers in the procurement office, two officers in the accounts office, one intern in the accounts department, one officer in the human resource office, five technicians (3 on internship and 2 substantively appointed). The Government through the Public Service Commission had posted twenty-nine trainers who also served in (3) Administration, ICT department (4) and Mechanical Engineering Department (6) and Electrical Engineering Department (4), Food and Beverage (3) Building and Civil Engineering (4), Cosmetology (2), Liberal studies (1) and Business Studies (2). During the financial year, one trainer was transferred from the Liberal studies to Moiben TTI, another left on deployment to Bondo TTI who was replaced. In order to cater for the deficit during the first quarter, 14 trainers were contracted on BOG terms. Four (4) trainers completed their pedagogical up scaling.

We did implement the cycle one (1), two (2) and three (3) of the Competency Based Education Training (CBET), so as to conform to global skills requirements and meet the local market demand for manpower and product by rolling out 33 new CBET courses.

During the first quarter, the college had a total enrolment of 1412 trainees at the beginning of July 2024. The ninth cohort of 315 trainees inclusive of 74 trainees on NITA Trade Test were admitted in September-November 2024 term and the enrollment stood at 1727 at the end of the period 30th September 2024. Seventy six (76) trainees were expected to complete their studies and thus churned out to the job market. On industrial training, 344 trainees proceeded for their industrial attachment.

During the second quarter, the ninth cohort of trainees intakes were in session together with other trainees and the enrollment stood at 1753 as at the end of the quarter including the 26 trainees enrolled for NITA Trade Tests in the December 2024 intake. The ninth lot of 140 candidates of which 16 under Business and 124 under Business who registered sat for their November 2024 KNEC series and 78 trainees were finalists and thus churned out to the job market. In November 2024, we lost (through natural attrition) our accountant and could only be replaced in June 2025.

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In the third quarter, the total enrollment increased from 1727 to 1835 out of which 966 were male and 869 were female. The institution had 110 trainees on industrial attachment placements in different industries, 25 of them were on KNEC programmes, 50 were on CDACC programmes and 35 trainees on dual training for the January-April term. The college formed collaborations with 17 partners for the dual placement of trainees. On funding, the college received Kshs. 18,982,874.00 comprising Capitation, direct payments by trainees, bursaries, income from production unit, HELB loans and HELB bursaries. The management acknowledged the receipt, allocated the capitation amount to eligible trainees and submitted the returns in the required format after approval by the board. During the quarter, the college conducted tree planting session to enhance forest cover. The farm project had a heifer giving birth to a female calf in February.

During the fourth quarter, the college enrolled 142 trainees in the May intake. The gross enrolment increased from 1835 to 1882 comprising 966 males and 869 females factoring in the exits. The institution had 100 trainees on attachment out of which 75 were pursuing NITA courses, 25 pursuing CDACC courses. The college received HELB loan amounting to Kshs. 3,972,214 and bursaries worth Kshs. 505,000. The management acknowledged the receipt of the funds and allocated them to the trainees. The institution adopted the CDACC modularized curriculum which ensures trainees complete their studies in a record time while focusing on attainment of micro-credentials. Trainers and heads of departments were sensitized on the modularized curriculum. The college is focusing on modularizing all the CBET courses currently on offer. TVETA team inspected the college during this quarter to accredit the new courses on offer. The training license was renewed in this quarter which is expected to be valid for the next 5 years. Despite the introduction of modularized curriculums, dual training continues to be implemented. The college staff had a fun day co-organized by Ugenya TVC to boost their mental health and enhance bonding and sharing between the two colleges. The college also organized a cultural/talents day to boost on National Values and principles of governance.

The college was audited for the financial year 2022/2023 and 2023/2024 financial years and upon conclusion we received a qualified opinion. The reports were shared with the ARM - committee for discussion.

The proposed Building and Civil Engineering Complex phase 1A workshop construction was completed, handed over in April/May period. The building is currently in use. The institution is in the process of being roped into the electronic Government Procurement System (e-GPS) as well as e-citizen platform which is a requirement of the government.

In an effort to comply with the Presidential and Ministerial directives on requirement for greening and beautification, increase forest cover, curb soil erosion the college planted 8,447 tree seedlings, obtained technical support for establishment of a tree nursery from KERFI. The college tended to the planted trees given that the place is infested with termites.

The management is continuously linking academia with industry by developing linkages with sister institutions and with several relevant industries or placement of students who were on industrial attachment and also finalists as we implement tracer studies on the latter. Further, the college offers Technical courses such as Building Technology that are competence based where our trainees learn how to prepare affordable building blocks and will churn out graduates that significantly contribute

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to the Sustainable Development Goals (SDGs), Vision 2030 and more specifically the affordable housing aspect of the “BETA” Agenda. In line with this, the management has prioritized Institutional Capacity Building, Collaborations and Partnerships, while linking academia with industry through placing students on attachment in the relevant attachment field for exposure to new models of affordable housing. The institution was roped into the Limited Support Dual training program by the State Department for TVET.

Further, the college continues to share its drilled borehole water resource with the immediate community for domestic consumption as our Corporate Social Responsibility (CSR). This reliable water resource was erected courtesy NG-CDF Ugunja.

The college attained an overall percentage pass of 67.18% from the National assessments undertaken during the financial year. This indicates a positive deviation of 1.03% from the last year’s achievement of 66.15%. The college attained a completion rate of 67.20% against the expected course completion timelines.

On funding,

Funding Capitation grant

- a) In FY. 2024-2025, Q1 capitation grant was received on 24th September, 2024 worth Kshs 4,264,000, for 1,040 trainees @ 4,100 instead of 7,500 thus a deficit of 3,400 for 1,040 totaling to Kshs 3,536,000
- b) In Q2, no capitation grant was received. We expected a disbursement of Kshs 7,800,000 @ 7,500 for 1,014 trainees, thus a deficit of the same amounts.
- c) In Quarter 3, a capitation grant which was received on 18th February, 2025, worth Kshs 13,507,000 @ 13,000 for 1039 trainees to carter for Q3 and Q4 instead of Kshs 15,000 creating a deficit of Kshs 2,000 per student for 1,039 trainees amounting to Kshs. 2,078,000.
- d) The cumulative deficiency for capitation in the said year was thus Kshs. 13,414,000.

The following table summarizes the funding as received;

SR NO.	FINANCIER	AMOUNT	BENEFICIARIES
1	HELB -LOAN	12,567,161	609
2	HELB BURSARY	45,000	9
3	BURSARIES	1,157,700	162
4	CAPITATION GRANT	17,771,000	1039
5	SCHOLARSHIP	8,942,856	220
6	DIRECT FEES PAYMENT	12,714,088	
7	PRODUCTION UNIT	415,007	
	TOTAL	53,612,812	

The total expected revenue was Kshs. 106,038,124 giving a deficit of Kshs. 52, 425,312. This low funding state was in form of:

- i. poor fees payment by parents and sponsors who had been promised capitation grant,
- ii. delayed and insufficient submission of Quarter 1, 2, 3 and 4 FY 2024/25 Capitation grant by Government,
- iii. Lack of disbursement of development grant FY 2023/24 Capitation grant by Government,
- iv. Lack of disbursement of the scholarships and loans for the new funding model FY 2024/25 by the exchequer.

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As a result, the college could not meet its budgetary obligations forcing the Board to only finance the mandatory core activities. To address this, the college has come up with various production unit proposals and marketing strategies to ensure that college admits as many students as possible during the FY 2024/2025 financial year which would boost its revenue base from the fees and so far institution enrolment grew at an exponential rate from 1412 to 1882.

The following are some of the major challenges that the institution faced:

- a) The institutions' enrolment was increasing at an exponential rate that did not match the infrastructural growth.
- b) Lack of adequate funds to meet the budgetary obligations required to match the fast-growing student enrolment.
- c) The Mechanical Engineering machines could not efficiently serve their purpose of training and production because of the low power rating, an aspect of implementation that the Ministry of Education should expedite for upgrading of the switch gear.

Sign: _____



Date: 27th November, 2025



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7. Statement of Performance against Predetermined Objectives

Section 81 Sub Section 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's entity performance against predetermined objectives. Ugunja Technical and Vocational College developed its annual Work plan which was the basis of assessment of the Board's performance against the work plan revealed.

The college has 5 strategic pillars and objectives developed within its Strategic Plan for the FY 2023/2024 – FY 2027/2028. These strategic issues are as follows:

1. Pillar 1: Quality Training for Sustainable Development
2. Pillar 2: Research, Innovation and Technology
3. Pillar 3: Resource Mobilization and Financial Sustainability
4. Pillar 4: Corporate Governance, Partnerships and Linkages for Effective Service Delivery
5. Pillar 5: Environmental Sustainability

Ugunja TVC developed its annual work plans based on the above five pillars/Key Result Areas. 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 2024/25 period for its (5 No.) strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievement
Pillar 1: Quality Training for Sustainable Development	To offer accessible, equitable, quality and relevant technical training	Increased Enrollment data	Strategic marketing	Increased enrollment from 1412-1882.
	To offer accessible, equitable, quality and relevant technical training by providing internship/industrial attachment/apprenticeship opportunities for youths the end of the fourth quarter	Increased trainee attachment /internship or apprenticeship	Provision of /industrial attachment/ /internship or apprenticeship opportunities	Fourteen (14) attachés and four (4) interns
	To develop and implement annual academic calendar/curriculum implementation by the end of the year	Develop and implement annual academic calendar/Curriculum improved performance in exams	Implementation of curriculum	Prepared and registered trainees for assessments; 302 for KNEC, 474 for CDACC and 76 for NITA assessments. Achieved an overall percentage pass of 68.42% on average an improvement from last year's 66.15%.

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievement
Pillar 2: Research, Innovation and Technology	To continuously improve research and innovation capacities by allocating 2% of the total annual operational budget to research and development	Allocating and implementation of research amount in approved budget.	Preparation for and participation in TVET Fair competitions.	<ul style="list-style-type: none"> Preparation meetings held for TVET innovations. Internal TVET fair preparations Obtained provisional patents for 4 innovations
	To build capacity officers in matters of research and innovations.	Number of officers trained on research proposal writing and increasing research outputs.	Training officers on research proposal writing and increasing research outputs	<ul style="list-style-type: none"> Three (3) officers trained in Research and Innovations Three (3) officers trained on grant proposal capacity building
Pillar 3: Resource Mobilization and Financial Sustainability	To achieve financial sustainability for Ugunja TVC by recruiting qualified and competent staff on needs by and inducting them.	Increased staff retention and attraction	Staff recruitment and retention	<ul style="list-style-type: none"> Received 11 trainers posted by Public Service Commission. Recruited 4 technicians to support training in different departments. Retained most of the staff. Recruited 2 trainers on need basis. Recruited an accountant, accounts clerk, supply chain officer, and a farm attendant

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievement
	To achieve financial sustainability for Ugunja TVC by developing and implementing a comprehensive annual budget and procurement plan.	Annual approved budget and Procurement Plan developed	Partial implementation of budget and procurement plan as planned for quarter four.	<ul style="list-style-type: none"> Annual approved budget & procurement plan partly implemented due to late and insufficient funding. Prepared and submitted FY 2024/2025 Annual approved budget & procurement plan.
	To Monitor and evaluate the implementation of annual budget and procurement plan by the end of the year	Quarterly implementation reports	Preparation and submission of Quarterly budget & procurement plan implementation reports	Prepared Quarter 2, 3 and 4 financial reports and statements & procurement reports shared with the Board and submitted to relevant agencies.
	To achieve financial sustainability for Ugunja TVC by Construction of Building and Civil Engineering Complex, and procure land for expansion of the college by the end of the year	Allocate Resources	Submission of requests and allocation of funds	Constructed to completion the Building and Civil Engineering Complex Phase 1A. There were no additional funds disbursed during the year for the Complex. Land for expansion was not procured due to lack of funds.
	To Initiate Income Generating Unit (IGUs) by the end of the year	Number of IGUs initiated	Development of proposals for IGUs.	<ul style="list-style-type: none"> Procured an additional heifer cow for PU Set up the cow shed and feed. Food and Beverage, sales of farm produce PU ongoing.

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievement
	To conduct annual staff appraisal, negotiate and sign new performance targets by the end of the year	Appraisal reports	Appraisal	Annual staff appraisal Conducted for all staff, negotiated new performance targets for financial year 2025/2026 by the end July 2025.
Pillar 4: Corporate Governance, Partnerships and Linkages	To enhance corporate governance and quality management systems by undertaking annual Board appraisal	Evaluation Report	Annual Board evaluation conducted.	Annual Board evaluation and appraisal was conducted
	To enhance corporate governance and quality management systems by developing or reviewing and implementing appropriate policies, guidelines and procedure manuals by the end of the year	Policy and procedure manuals developed, reviewed and approved for use	Appointment of committees for preparation of the documents, approval of the draft policies, and implementation of approved policies.	Six (6) policies were finalized and approved this includes; Academic Policy, Procurement Policy, ICT Policy, Maintenance Policy, and Research and Innovations Policy, and Disaster Management Plan
	To Develop Board Annual Work Plan and attend all scheduled meeting as per the almanac targets by the end of the year	Board Annual Work Plan Meeting Attendance list	Develop Board Annual Work Plan and attend all scheduled meeting	Work plan developed and implemented. 100% attendance for all BOG meetings.
	Sign & implement Performance Contracting targets with the Government of Kenya.	Signed Performance Contract. Reports submitted to relevant Agencies.	Undertake a complete Performance Contracting annual cycle.	Successfully participated in implementation of cycle 21 st Performance Contract cycle. Attained a composite score of 3.3071 in the 20 th cycle (FY 2023/24) PC evaluation.

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievement
Pillar 5: Environmental Sustainability	To enhance environmental sustainability.	Number of trees planted Installation of solar energy	Tree planting Installation of solar light	A total of 8,447 trees were planted during the period under review Installation of solar system to power gate and sentry house, cow shed lights, water tower lighting and bus cage lights.

a) STATUS OF DEVELOPMENT PROJECTS

- i) The implementation of the Management Information System which was procured and was at the implementation stage and it would facilitate ease of doing business.
- ii) The college did not manage to continue with all internally funded projects as planned due to insufficient disbursement of FY2024/2025 capitation and Government Scholarship. There was no disbursement received for Development Grants from the Ministry of Education for the annual approved development fund of Kshs 20,000,000. The construction work for the proposed Civil engineering workshop phase 1A was complete and preparations to initiate Phase 1B was ongoing.

b) STATUS OF PERFORMANCE CONTRACT

The college was roped into the Performance Contracting in the 18th cycle (FY 2021/2022) and has over the years registered improvements and efficiency in service delivery. However, the lack of adequate funds have hindered the college from actualizing its commitments on the contract fully. The college underwent its second, third and fourth cycle of Performance contracting with the Ministry of Education in 2022/23, 2023/24 and 2024/25 respectively. We concluded our 4th cycle on 30th June 2025 and submitted the quarterly and annual reports to the relevant agencies in the prescribed format and awaiting for annual evaluation. The college registered a drop in performance on the 20th cycle Performance Contract resulting from financial constraints making the college unable to actualize all its obligations. The following have been the achievement over the years:

S/No.	Financial Year / Cycle	Composite Score
1.	Financial Year 2021/2022 (18 th Cycle)	3.1602
2.	Financial Year 2022/2023 (19 th Cycle)	3.1283
3.	Financial Year 2023/2024 (20 th Cycle)	3.3071
4.	Financial Year 2024/2025 (21 st Cycle)	Yet to be evaluated

The board completed the review of the Strategic Plan to align it to the 5th generation version capturing the Medium Term Plan IV, the Beta transformation agenda and emerging trends and policies and ensured compliance with most of the relevant statutory and regulatory bodies.

8. Corporate Governance Statement

Corporate governance refers to the mechanism, relations and processes by which a cooperation is controlled and directed. It involves balancing the interests of the stakeholders of a cooperation. Good corporate governance practices are essential to the delivery of long term and sustainable stakeholder value.

To strengthen accountability and to build confidence among stakeholders. Ugunja Technical and Vocational College is committed to sound principles of corporate governance and sustainability and believes that good corporate governance is critical not only at the corporate level but at the national level.

Board size, composition and appointment

The College Board of Governors is constituted of eight members who were recommended to the Cabinet Secretary for appointment by the nomination panel, the Principal and the County Director. They were duly appointed taking into account ethnic and gender balance, and inclusion of persons with disabilities, minorities and the marginalized, and ensure balanced competencies among the members. They are representative of chairperson, a representative of the Principal Secretary in the Ministry responsible for technical and vocational training; a representative of the county Governor of the county within which the institution is located; six other persons appointed on the basis of their knowledge and experience in: leadership and management, financial management, technology, industry, engineering and information communication technology or law.

Process of Appointment and Removal

In appointing and reappointing members of Boards of Governors, the commencement dates of some members shall be staggered by the cabinet secretary to maintain a proportion of new membership that ensures continuity in the affairs of the Boards of Governors.

The appointment of a member to a Board of Governors or to its committees shall be revoked and the member shall vacate office if the member — resigns; becomes insolvent or has conveyed or assigned his property or has made a proposition or arrangement for the benefit of his creditors; is sentenced by a court of law to imprisonment for a term of six months; is incapacitated by physical or mental illness; has been absent from three consecutive meetings of the Board of Governors without leave; where the member is a representative, has his appointment revoked by the nominating body; or is otherwise unable or unfit to discharge his functions as a member of the Board of Governors .

Where the office of a member of a Board of Governor becomes vacant by reason other than the expiry of the period of that office, the Cabinet Secretary, in accordance with the provisions of this TVET Act no. 29 of 2013 appoint another person to replace the member.

A member of a Board of Governors may at any time resign by giving notice in writing to the cabinet Secretary and shall cease to be a member of the Board from the date specified in the notice or, if no date is specified, from the date of the receipt by the Cabinet Secretary or the Secretary to the Board

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Roles and Responsibilities of the BoG

- a) Oversee the development and administration of policies, procedures and strategies that will promote prudent financial management, high quality infrastructural development and acceptable resource mobilization practices including recruitment, reward, retention, motivation and development of the Institution's staff;
- b) Oversee the Institution's compliance with legal, statutory and regulatory requirements relating to finance, infrastructure and resource mobilization matters as well as compliance with ethical and quality standards adopted by the Institution.
- c) Receive and consider proposals and reports on matters relating to finance, development projects and resource mobilization in the Institution and its campuses.
- d) Oversee the development of policies and procedures to enhance effective and efficient utilization of all the resources of the Institution.
- e) To oversee the development and administration of policies, procedures and strategies that will promote high quality education, research and training across the Institution;
- f) To guide the Institution to meet its strategic aims and objectives in relation to education, research and training activities;
- g) To develop high quality education courses and other activities to promote good practice within the relevant fields
- h) Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- i) Oversee the implementation of developed policies, procedures and strategies that will promote effective and efficient management systems within the Ugunja Technical and Vocational College
- j) Provide an independent review of the Institutions' reporting functions to ensure the integrity of the financial reports.
- k) Ensure the Institution effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behavior.
- l) Provide oversight of the implementation of accepted audit recommendations and consider reports on matters relating to audit.
- m) Provide strong and effective oversight of the institution's internal audit function

Board Remuneration

This was guided by the financial ability of the institution and as approved by SRC, Salaries and remuneration committee approved as shown below:

- > Transport: Kshs 5,000 for all members,
- > Sitting allowance (Net of Tax):
 - Kshs 14,000 for Chairperson
 - Kshs 10,500 for all other members

Other allowances as guided by SRC rates: Night outs 10,000 capped at 2 night out and airtime 2,000 for those attending virtually.

The management complied with the new SRC rates for Board sitting allowances later in the year.

Succession Plan and Term of office:

Unless the appointment of the chairperson or a member of a Board of Governors is earlier terminated under this Act, a person appointed as chairperson or as a member shall hold office for a term of three years from the date of appointment and shall be eligible for re-appointment for one further term of a period not exceeding three years.

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Board Performance in meetings

For the Financial Year 2024/2025, the board was appraised and performance was exemplary (107.84%). A new Board is expected to be appointed in January 2026.

During the first quarter FY 2024-25, the Education, Research and Training committee meeting was held on 3rd July, 2024 to deliberate on the fourth quarter FY 2023/24 reports and all members attended. The Administration, Finance and Infrastructure committee meeting was held on 9th July, 2024 to deliberate on the fourth quarter FY 2023/24 reports and all the members attended. The Audit and Risk Management Committee meeting was held on 11th July 2024 to discuss the FY 2023/24 reports and all members attended. The Full Board met on 12th July, 2024 to receive, discuss and adopt recommendations from the fourth quarter FY 2023/2024 reports of three Board committees and all members attended.

In the second quarter of FY 2024-25, the Education, Research and Training meeting was held on 3rd October, 2024 to discuss the FY 2024/2025 first quarter report on matters Education, Research and Training and all members attended. The Audit and Risk Management Committee meeting was held on 7th October, 2024 to discuss the FY 2024/2025 first quarter report and all members attended. The Administration, Finance and Infrastructure committee meeting was held on 9th October, 2024 to deliberate on the first quarter FY 2024/25 report on matters Administration, Finance and Infrastructure and all the members attended. The full Board met on 15th October, 2024 to receive, discuss and approve the recommendations from the first quarter FY 2024/2025 reports of three Board committees and all members attended except for Eng. Peter Oloo Okaka and Dr. Rozilla Odhiambo. The Board discussed the Reviewed Strategic Plan and shared it with the National Treasury, State Department for Economic Planning.

In the third quarter of FY 2024-25 Education, Research and Training meeting was held on 7th January 2025 to discuss the FY 2024/2025 second quarter report on matters Education, Research and Training and all members attended. The Audit and Risk Management Committee meeting was held on 13th January, 2025 to discuss the FY 2024/2025 second quarter Audit Report and all members were present. The Administration, Finance and Infrastructure committee meeting was held on 14th January, 2025 to deliberate on the second quarter FY 2024-25 financial statements and reports and all the members attended. The full Board met on 15th January, 2025 to receive, discuss and approve the recommendations from the second quarter FY 2024/2025 reports of the three Board committees and all members attended except the Chairperson who was unwell.

In the fourth quarter FY 2024-25, the Education, Research and Training meeting was held on 7th April, 2025 to discuss the FY 2024/2025 third quarter report on matters Education, Research and Training and all members attended. The Audit and Risk Management Committee meeting was held on 10th April 2025 to discuss the FY 2024/2025 third quarter Audit Report and all members attended except the Regional TVET director who sent an apology. The Administration, Finance and Infrastructure committee meeting was held on 11th April 2025 to deliberate on the third quarter FY 2024-25 financial statements and all reports and all the members attended. The full Board met on 14th April, 2025 to receive, discuss and approve the recommendations from the second quarter FY 2024/2025 reports of the three Board committees and all members attended.

During the period under review, certain issues arose that necessitated for 3 special meetings being held to deliberate on the issues as follows; A special board meeting was held on 13th July, 2024 to approve the list of the interviewed candidates for PSC trainer recruitment exercise for consideration for recruitment by the Public Service Commission where all members attended. Another meeting was held on 26th September, 2024 to approve the annual report and financial statements for the year

Ugunja Technical and Vocational College
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ended 30th June 2024 and all members attended. The third special Board meeting was held on 30th January 2025 to discuss the budget for FY 2025/26, the procurement plan for FY 2025/26 and the change of signatories given the demise of the accountant and all members attended except the Chairman who was unwell.

Summary of Board Attendance in meetings

S/No.	Name	Board Position	Board Attendance (%)
1.	Eng .Peter Oloo Okaka	Chairman	57%
2.	Mrs. Audrey Odhiambo	Secretary	100%
3.	Mrs. Alice Keboga	Member	100%
4.	Eng Jane Pauline Maeri Mito	Member	100%
5.	Dr. Rozilla Adhiambo	Member	91%
6.	Mr. Lucas Ocharo	Member	100%
7.	Dr. Neddy Soi	Member	100%
8.	Ms. Vivianne Komwonyo	Member	100%
9.	Mr. Karilus Ben Umija	Member	100%
10.	Mr. John Wamae	Regional TVET Director	93%

Board Performance

The Board conducts annual self-evaluation using standardized tools. These assessments identify areas for improvement and form the basis for training needs and governance enhancements. Individual member contributions are also reviewed to ensure active and informed participation. The following were the achievements per objective during the financial year:

SUMMARY OF BOARD ANNUAL EVALUATION PER KEY RESULT AREA

S/NO	KEY RESULT AREA	AVERAGE SCORE
1.	Key Result Area 1: Quality Training For Sustainable Development (Strategic Goal: To offer accessible, equitable, quality and relevant technical training)	123.08%
2.	Key Result Area 2: Research, Innovation And Development (Strategic Goal: <i>To continuously improve research and innovations capacities</i>)	71.43%
3.	Key Result Area 3: Resource Mobilization And Financial Sustainability (Strategic Goal: <i>To achieve financial sustainability for UJTVC to carry out its mandate and function</i>)	90.73%
4.	Key Result Area 4: Corporate Governance, Collaborations And Linkages For Effective Service Delivery (Strategic Goal: <i>To ensure Compliance, Collaborations, Linkages and Partnership and best practices in Corporate Governance</i>)	124.74%
5.	Key Result Area 5: Environmental Sustainability (Strategic Goal: <i>To promote environmental stewardship and sustainable use of natural resources</i>)	129.24%
	Total Score	539.22%
	Average Score	107.84

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9. Management Discussion and Analysis

The college continued its operations by admitting, training and assessing all the trainees in FY 2024/2025. This section gives a report on the operational and financial performance of the college during the period, the college's key projects and investment decisions implemented, college's compliance with statutory requirements, major risks facing the college, material arrears in statutory and other financial obligations, and the college's financial probity and serious governance issues.

a. The College's Operational and Financial Performance

i. Enrolment and Training

During the financial year under review, the college conducted extensive marketing, admitting, training and assessing all the trainees. This resulted in a gross enrollment of 1882 across different courses offered by 30th June 2025. This indicates a net increment of 407 from the previous year gross enrolment of 1412 considering exits through completions. The College offers 33 CBET Courses and 22 KNEC Courses across the eight (8) academic departments namely: Mechanical and Automotive Engineering, Building and Civil Engineering Department, Electrical and Electronics Engineering Department, Computing and Informatics, Tourism and Hospitality Department, Cosmetology and Fashion Design Department, Business Studies Department and Liberal Studies Department.

A total of 35 trainees from 3 departments namely Electrical and Electronics Engineering, Cosmetology and Fashion Design and Tourism and Hospitality Departments were placed on dual training programmes that see them take their training at the College and industry at different times.

The college adopted the modularized curriculum as proposed by the State Department for TVET for its May 2025 intake. This curriculum has given a better approach to training in TVET institutions where the curriculum is synthesized into content areas deliverable and assessed under one term with the flexibility of partial qualifications should trainees opt out midstream.

During the year under review, the college trained and presented for assessment trainees across different departments to different examination bodies namely CDACC, KNEC and NITA as discussed below:

For KNEC Examinations, the College had the eighth, ninth and tenth lots of candidates registered to undertake the assessments in July, and November, 2024 and March 2025. A total 302 candidates were duly registered out of which, 25 candidates were sitting for referred exams. The overall percentage pass for the 277 candidates whose results were analyzed stood at 62.41%.

For TVET CDACC Assessments, the College had the first, second and third lots of 474 candidates registered to undertake the assessments in July, & November 2024 and March 2025 series. The results obtained by the 474 candidates were analyzed and the overall percentage pass stood at 40.44%.

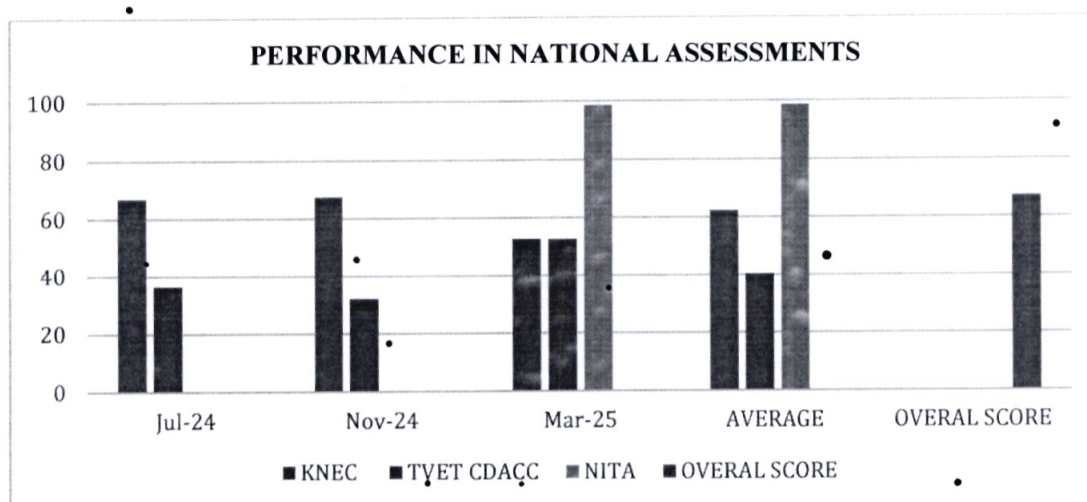
For NITA Trade Test Assessments, the college presented its first ever lot of 76 candidates for the Trade Test/Examination in April 2025 series. Out of the 76 candidates only one had a fail giving an overall percentage pass of 98.68%.

Therefore, the college had an average score of 67.18% percentage pass for the trainees that were presented for assessments during the financial year against a target of 67.50% as analyzed below:

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Overall Percentage pass in the national Examinations

EXAMINATION BODY	JULY 2024 SERIES	NOVEMBER 2024 SERIES	MARCH 2025 SERIES	AVERAGE
KNEC	66.96%	67.50%	52.77%	62.41%
TVET CDACC	36.48%	32.14%	52.71%	40.44%
NITA			98.68%	98.68%
OVERALL SCORE				67.18%



ii. Staffing

The college had a total staff establishment of 66 including both teaching and non-teaching staff. This comprises 29 members of staff on Public Service Commission terms and 37 on Board of Governors terms or contracts. Out of the 37 on BOG terms of service, 24 were engaged in training or directly supporting the core mandate while 13 were in functional offices supporting the delivery of core mandate. This indicates an increase from previous year's 49 members of staff where 18 were on the Public Service Commission terms of service, 23 trainers on BOG terms and 8 were technical staff. This increase was necessitated by the steady rise in enrolments of trainees.

For the 66 members of staff, 55 were trainers across different job carders with 36 being male and 19 being female. Non-teaching staff were 11 with 6 males and 5 females. During the period under review, the Public Service Commission posted a total of 11 trainers to the college across the eight (8) academic departments, sufficiently lowering the college wage bill giving it some reprieve to bring on board more technicians to support the Competence Based Curriculum delivery. The college absorbed 14 youths on attachment placement within the college and 4 interns during the year.

iii. Revenue

The budget projection for the Fiscal year 2024/2025 was Kshs. 149,963,034 including a development grant worth Kshs. 55,000,000. However, this budget projection was reviewed to Kshs. 106,678,124 including development grant which was reviewed to 11,075,000 pursuant to the notification on austerity measures and also having received Kshs 8,925,000. The reasons that necessitated for the budget review include;

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- i. Austerity measures on development grants by 75%,
- ii. To accommodate an increase in the number of trainees from 1498 to 1882.
- iii. To accommodate for provision of PU, marketing and server.

During the First quarter FY 2024/2025, capitation grants for quarter one amounting to Kshs. 4,264,000 was disbursed for a total of 1,040 trainees translating to Kshs. 4,100 per trainee. This was way below the expected amount of Kshs. 7,500 per trainee giving a shortfall in revenue. Further, the Government scholarship grant amounting to Kshs. 8,942,855.90 was received, HELB funds amounting to Kshs 179,000 plus HELB Bursaries worth Kshs 5,000 was received. Fees directly paid by trainees was Kshs. 2,072,928, bursaries received by trainees was Kshs. 310,000 and income raised from Production Unit was Kshs. 83,485. The actual collection for this quarter was Kshs 15,857,268.90.

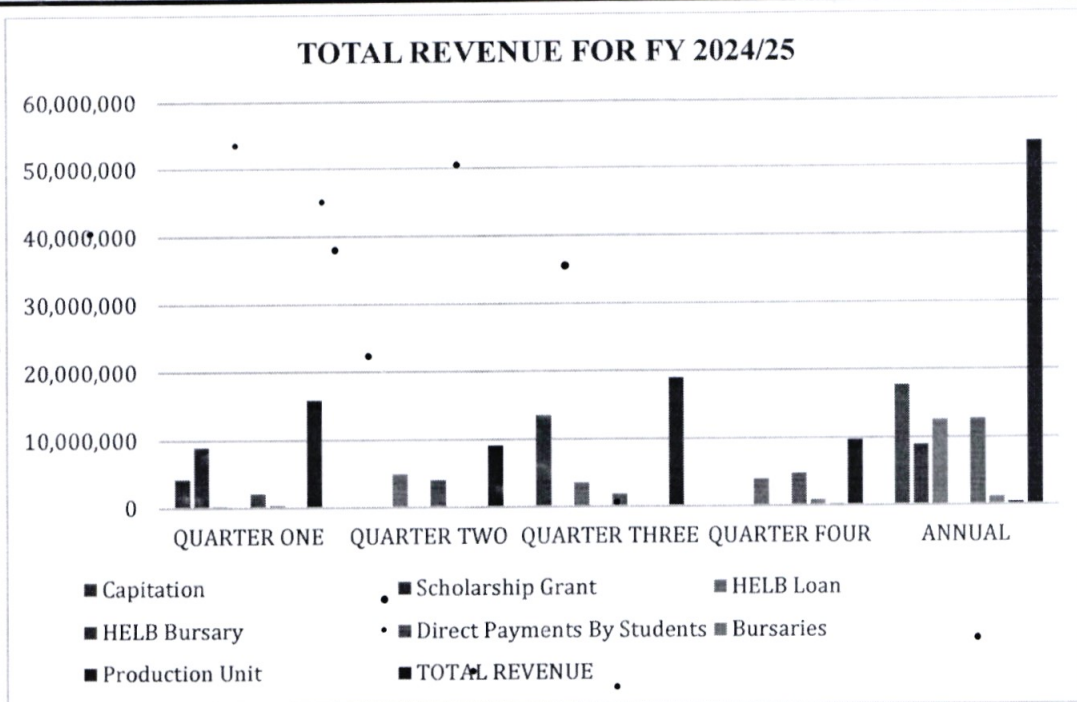
During the second quarter FY 2024/2025, capitation and scholarship grants were not disbursed, HELB funds amounting to Kshs. 4,878,036, together with HELB bursaries amounting to Kshs. 15,000 was received, Kisumu County bursary worth Kshs. 15,000 was received, fees directly paid by the student's totaling to Kshs. 4,062,779 was collected and income raised from the Production Unit of Kshs. 112,041 was realized. The actual collection for this quarter was Kshs 9,082,856.

During the third quarter FY 2024/2025, the College received capitation grants worth Kshs 13,507,000 for 1,040 trainees. Each trainee was allocated Kshs. 13,000 against the expected Kshs. 22,500 giving a shortfall of Kshs 9,500. HELB funds worth Kshs. 3,537,911 and HELB bursaries worth Kshs 25,000, other bursaries worth Kshs 15,000 were received, fees paid directly by the students was Kshs. 1,849,415 and income realized from the Production Unit of Kshs. 46,048. The total revenue for this quarter stood at Kshs. 18,980,374.

During the fourth quarter FY 2024/2025, no capitation or scholarship grants were disbursed, HELB funds worth Kshs 3,972,214 and, other bursaries worth Kshs 817,700 were received, fees directly paid by the students amounting to Kshs. 4,728,966 was collected and incomes raised from Production Unit was Kshs. 173,433 giving a total quarterly revenue of Kshs. 9,692,313. The revenue summary is as illustrated below:

S/NO	REVENUE SOURCE	QUARTER ONE	QUARTER TWO	QUARTER THREE	QUARTER FOUR	ANNUAL
1.	Capitation	4,264,000	0	13,507,000	0	17,771,000
2.	Scholarship Grant	8,942,856	0	0	0	8,942,856
3.	HELB Loan	179,000	4,878,036	3,537,911	3,972,214	12,567,161
4.	HELB Bursary	5,000	15,000	25,000	0	45,000
5.	Direct Payments By Students	2,072,928	4,062,779	1,849,415	4,728,966	12,714,088
6.	Bursaries	310,000	15,000	15,000	817,700	1,157,700
7.	Production Unit	83,485	112,041	46,048	173,433	415,007
	TOTAL	15,857,269	9,082,856	18,980,374	9,692,313	53,612,812

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Given the socio - economic status of most of the trainees in college, there was poor fees payment forcing trainees to rely majorly on the capitation, government scholarship grants, HELB loans, HELB bursaries and bursaries from county and national government to help bridge the gap for the tuition and the exam fees. All the new intake for the year; September 2024, January and May 2025 had not receive their government scholarship grants to cater for their fee payments as at 30th June 2025. For January and May 2025 intakes, they had not completed their applications for the HELB loans as at the close of the fiscal year and September 2024 intake only a section of the trainees had received their tuition loans out of the total applicants thus hurting our service delivery hence not able to meet all budgetary obligations.

b. Key Projects and Investment Decisions the College is Implementing

The implementation of the Management Information System which was procured was concluded and re-engineering was initiated to accommodate e-citizen and electronic government procurement systems which will enhance the customer experience.

The proposed phase 1A for Building and Civil Engineering Complex was completed and handed over. The Regional Public Works office was contacted for the preparation of the Bills of Quantities for the second phase of the project worth KES 3.9 million (three point nine million). The authority to construct this phase was sought from the Principal Secretary State Department for TVET and we received a reply to the effect that the amount authorized for construction was equivalent to the amount sent to the development account therefore the need to work on new bills of quantities to conform to the authorization details. Upon completion, this will go a long way in boosting a learning environment for imparting building and civil engineering skills which is highly required in the building/construction industry. The college will therefore participate in providing competent skilled workforce for the country. The building and civil engineering complex work is fully funded by the Government of Kenya (Ministry of Education) which had disbursed development grants worth Kshs 5,000,000 and in the third quarter of FY 2023/2024 an additional Kshs 3.9 million was added to its

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funding.

The college has initiated an Income Generating Unit that encompasses sale of vegetables, sale of milk from the dairy cows, sale of food from the food and beverage department, sale of bananas and savings from bus fuel. This has helped the college generate some income.

c. College's Compliance with statutory requirements

In compliance with the statutory requirements, the college submitted all the monthly statutory payments i.e. Kenya Revenue Authority (KRA), Housing Levy, National Social Security Fund (NSSF), National Hospital Insurance Fund (NHIF), Social Health Insurance Fund (SHIF), HELB, NITA including annual Regulatory Public Health inspections as prescribed.

d. Major Risks Facing the College

Operational risk summarizes the chances and uncertainties an institution faces in the course of conducting its daily business activities, procedure and systems. It is heavily dependent on human factors, mistakes or failure due to action or decisions made by an organization employee.

The college assesses the risk by identifying the key risk indicators and college data against these matrices. The college can manage the operational risk by anticipating risk before they arise, perform cost benefit analysis, to avoid unnecessary risk.

- i. Marketing risk: the college has put in place an internal audit function to assist it in assessing the risk faced by the college on an ongoing basis, evaluate and test the design and effectiveness of its internal control. Marketing risk is the risk arising from changes in market prices, such as interest rate. The objective of market risk management is to manage risk and control market risk exposure within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and risk management committee. The colleges' finance department is responsible for the development of detailed risk management policies subject to review and approval by the Audit and Risk Management Committee and for day to day implementation of those policies.
- ii. Capital risk: The objective of the College's capital risk management is to safeguard the college's ability to continue as a going concern.
- iii. Credit risk: The college has exposure to credit risk, which is the risk that counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposit with banks as well as trade and other receivable from both exchange and non-exchange transactions.
- iv. Liquidity risk management: Ultimate responsibility for liquidity risk management rests with the college management, who have built an appropriate liquidity risk management framework for the management of the college short-, medium- and long-term funding and liquidity management requirements. The College manages liquidity risk through continuous monitoring and forecast and actual cash-flow.

The major risks facing the institution is lack of sufficient funds to meet budgetary obligations. Thus, we majorly only focused on both training, research and operations in execution of the budget.

e. Material Arrears in Statutory/Financial Obligations

The college has no loan nor defaulted on statutory compliance. There were no pending bills as of 30th June 2025.

f. The College's Financial Probity and Serious Governance Issues

The college's financial probity is at its core and Ugunja Technical and Vocational College has ensured that there is openness, transparency, honesty, prudent spending and ethical practices in procurement processes and has no serious governance issues.

Corporate governance refers to the mechanism, relations and processes by which a corporation is controlled and directed. It involves balancing the interests of the stakeholders of a cooperation. Good corporate governance practices are essential to the delivery of long term and sustainable stakeholder value.

To strengthen accountability and to build confidence among stakeholders, Ugunja Technical and Vocational College is committed to sound principles of corporate governance and sustainability and believes that good corporate governance is critical not only at the corporate level but at the national level.

10. Environmental and Sustainability Reporting Statement

Ugunja Technical and vocational college exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organization's strategic objectives.

i. Sustainability strategy and profile

The global sustainability landscape has been significantly shaped by the interconnected challenges of climate change, economic uncertainty, and geopolitical instability. These factors directly affect the operational environment of public institutions like Ugunja TVC. Climate change is increasingly impacting energy supply, infrastructure resilience thereby necessitating greening in TVETs. Global inflation and supply chain disruptions have led to increased prices of stationeries, training materials, construction inputs, and ICT equipment, thereby straining the government's funding and necessitating budget cuts. Youth unemployment and digital transformation remain global policy concerns, aligning closely with TVET's core mission to provide market-driven skills and promote youth employability.

The college is aligned with several international frameworks that guide its sustainability strategy including Sustainable Development Goals (SDGs); SDG 4 (Quality Education) which is achieved through inclusive, skills-based training; SDG 5 (Gender Equality) by promoting women's access to technical courses; SDG 7 & 13 (Clean Energy & Climate Action) by greening TVETs initiative and SDG 8 (Decent Work and Economic Growth) by linking training to labor market demand. Under UNESCO TVET Strategy (2022–2029) - The College subscribes to the core pillars of inclusive and relevant skills development, digitalization, and sustainability in training.

On Institutional Sustainability Priorities and Policy Framework, the college has developed an internal Sustainability and Greening TVET plan, premised on five pillars:

- Environmental Management – Waste reduction, tree planting, solar energy adoption.
- Social Inclusion – Mainstreaming gender, youth, and disability in all programs.
- Economic Empowerment – Offering entrepreneurship and value addition skills.
- Governance and Integrity – Promoting transparency and accountability in college operations.
- Curriculum Reform and Innovation – Integrating green technologies, digital skills, and climate-smart agriculture.

During the reporting period, the college adopted a modularized curriculum approach as recommended by the State Department for all courses offered in the May intake which reduces completion time for trainees and has the flexibility of partial qualifications being awarded. The college had 250 trainees released into the job market through completion of their studies. On energy and environment, the institution installed solar power lights increasing reliability and security during power outages as well as reducing grid electricity usage. Under the greening of TVET institutions programme, the college planted a total of 8,447 trees during the reporting period. On inclusivity and equity the female enrollment in technical courses increased from 28% to 46.5%, driven by targeted outreach and bursary programs. The college enrolled and supported 21 students with disabilities, ensuring accessibility and assistance.

During the reporting period, the institution faced some challenges and as such could not undertake its planned activities. Which includes non-disbursement of development grants which delayed the

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take-off of Phase 1B. Lack of or partial disbursements of capitation and HELB funds limiting college's operations and implementation of activities. Low participation of special groups in procurement. Dropout cases among students due to socio-economic barriers and lack of disbursement of capitation.

The institution formulated measures to mitigate the challenges experienced which includes; following up with the Ministry of Education on the disbursements of the development grants. Engaged the Ugunja NG-CDF and partners for students' bursaries. Adopting the electronic government procurement system where there is going to be a pool of suppliers. Introduced a mentorship and social support program to reduce dropout rates among vulnerable students.

The college has a citizen service delivery charter that outlines the key service standards including admission processing times, response to complaints, training delivery, fee payment, payment to suppliers, collection of results slips, and administration of both internal and external assessments.

Grievance redress mechanisms through the Public Complaints Officer, feedback boxes, and a digital complaints portal were in place. At the time of reporting, the college managed to resolve all the complaints it received during the year and was undertaking an annual review of charter performance through student and staff satisfaction surveys.

The institution conducted all its procurements in compliance with the Public Procurement and Asset Disposal Act (2015) and guided by a Procurement and Disposal Plan aligned with the institution's development priorities. During the reporting period, 23.6% of the total procurement was awarded to the special groups, indicating a miss as the percentage does not reach the 30% threshold. 79.5% were awarded to the suppliers and contractors supplying local content, enhancing local economic development. Monitoring committees established to oversee contract implementation and performance.

Despite the prevailing global and national challenges, the college has demonstrated significant progress in aligning its operations with sustainability principles. By mainstreaming climate action, gender equity, and inclusive economic empowerment into its institutional framework, the college continues to position itself as a model green TVET institution. We remain committed to improving service delivery, empowering youth, and supporting national and global development goals.

ii. Environmental performance

The management ensured that a greening and beautification department by the duly appointing greening committee with very clear terms of Reference to ensure that inter- alia, the institution has a well-developed Environmental department. Landscaping, planting of Flowers, grass establishment of a tree seedling, partnership with other organizations on greening and beautification was planned and actualized. The overall outcome was increase in forest cover by planting 8,447, reduction in erosion and improved aesthetic outlook of the institution. Further the management signed MoU with KEFRI to help establish a tree nursery. All the anthills were demolished to ensure that trees were not destroyed by the termites. The college has a draft Waste management policy which gives direction on waste management.

iii. Employee welfare

The institution has a Human Resource Management department which had a duly appointed committee to ensure that it operated as guided by the provisions of the relevant legal framework as it addresses all human resource matters.

The college's hiring process is guided by a comprehensive Human Resource (HR) Policy, which

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emphasizes transparency, equity, meritocracy, and alignment with national labor laws. The policy includes structured procedures for job advertisement, application screening, structured interviews, and final selection. The recruitment policy explicitly supports affirmative action by promoting gender equity and inclusivity of Persons with Disabilities (PWD) and youth by ensuring gender representation in shortlists and interview panels, minimum thresholds for hiring women and PWDs in alignment with national directives and equal opportunities for all qualified candidates regardless of gender, age, or physical ability. The current staff establishment of 66 members comprises 62% males and 38% females meeting the a-third gender rule. Of this number 53% were youths. There were no persons with disability among the establishment.

Stakeholders such as staff, trainees, suppliers, and local community are engaged during policy formulation and revisions. The human resource and recruitment policies undergo formal review every five years or earlier if necessitated by changes in labor laws, feedback from employee satisfaction surveys and recommendations from HR audits or performance evaluations.

The college implements several initiatives to support continuous professional development including capacity building and clear career paths. On capacity building and training, the college has in place a Training needs assessment report and skills gap analysis together with the implementation plan that informs annual targeted capacity-building programs, access to in-house workshops, online learning platforms, and external certifications. The college has in place a clear job grading structure with defined promotion criteria, mentorship and coaching programs to support succession planning and internal job posting mechanisms to encourage mobility and retention.

The college has in place a Performance Management System that includes annual and mid-year reviews, Key Performance Indicators (KPIs) aligned with strategic objectives and feedback from supervisors. Depending on the reports from the performance appraisals, the institution has a reward and recognition policy in place that emphasizes merit-based promotions, non-monetary rewards, including employee recognition awards and incentives for innovation and excellence in service delivery.

The organization has adopted the Safety, Health and Environment (SHE) policy that aligns with the Occupational Safety and Health Act (OSHA) 2007. In the safety policy, the college ensures compliance by undertaking regular risk assessments and safety audits, appointment of OSHA Committee, ensures mandatory safety induction for all new employees and contractors as well as ensuring compliance with fire safety protocols, emergency evacuation drills, and First Aid training. There were no serious work-related injuries recorded in the year under review, primarily minor incidents like cuts and scratches. In order to minimize injuries, efforts have been placed on installation of safety signage and protective equipment, undertaking periodic training on safe handling of machinery and ergonomics and establishing an Occupational Health Committee to oversee employee welfare.

iv. Market place practices

The following is Ugunja TVC efforts in market place practices:

a) Responsible Competition Practices

Ugunja TVC plays a critical role in developing skilled labor and promoting industry standards. To ensure responsible competition practices, the organization implements the following:

- i. **Anti-Corruption Measures:** The Ugunja TVC maintains strict anti-corruption policies. All staff members undergo regular sensitization on expected ethical behavior, and the organization has a clear reporting system for any unethical practices. The organization adheres

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- to National and international anti-corruption laws, ensuring a transparent and corruption-free environment.
- ii. **Responsible Political Involvement:** The organization avoids any undue influence on it due to political processes. Any engagement in political activities is conducted with transparency and in compliance with the legal framework in place. Contributions to political causes, if any, are disclosed and are made without expecting any favors in return.
 - iii. **Responsible marketing and advertisement - outline efforts to maintain Fair Competition:** The Ugunja TVC ensures that it competes fairly with other institutions by focusing on the quality and relevance of its training programs. It avoids any practices that could unfairly disadvantage competitors, such as misrepresentation of programs or manipulation of enrollment data.
 - iv. **Respect for Competitors:** The Ugunja TVC maintains a respectful attitude towards other training providers. It refrains from negative advertising or spreading misinformation about competitors. Instead, it focuses on continuous improvement and innovation in its offerings to attract students.

b) Responsible Supply Chain and Supplier Relations

The Ugunja TVC recognizes the importance of maintaining responsible and ethical relationships with its suppliers:

- i. **Good Business Practices:** The organization follows ethical procurement processes, ensuring that all dealings with suppliers are conducted fairly and transparently. It selects suppliers based on merit, considering factors such as quality, reliability, and sustainability.
- ii. **Honoring Contracts:** The organization is committed to honoring all contractual agreements with its suppliers. This includes ensuring that all terms and conditions are met, and that any changes or challenges are communicated openly and managed collaboratively.
- iii. **Respecting Payment Practices:** The Ugunja TVC pays its suppliers promptly and according to agreed-upon terms. It avoids delaying payments unnecessarily, recognizing that timely payments are crucial for maintaining healthy supplier relationships and ensuring the smooth operation of supply chains.

c) Responsible Marketing and Advertisement

As an educational institution, the Ugunja TVC is committed to maintaining high ethical standards in all its marketing and advertising efforts.

d) Product Stewardship

Ugunja TVC have a responsibility to ensure that their educational services meet the highest standards of quality and ethics:

- i. **Consumer Safety:** The organization ensures that all its training programs are designed to equip students with the skills needed to succeed in their chosen fields. It regularly reviews and updates its curriculum to align with industry standards and best practices.
- ii. **Transparency and Information:** The organization provides clear and accessible information about all aspects of its programs, including the curriculum, assessment methods, and certification processes. It ensures that students are aware of their rights and responsibilities.
- iii. **Sustainability:** The Ugunja TVC is committed to incorporating sustainable practices into its operations and curriculum. This includes promoting environmentally friendly practices in training programs and ensuring that the organization's activities have minimal environmental impact.

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- iv. **Consumer Rights:** The organization upholds the rights of its students by providing a safe and supportive learning environment. It has mechanisms in place for students to raise concerns or complaints, and it takes these seriously to continuously improve its services.

UJTVC promotes education through multiple strategies that can address various barriers and enhance learning opportunities. Here are some key approaches:

A. Increasing Access to Education

- i. **Infrastructure Development:** the institution has been built, in rural and underserved areas, and has improved transportation to make Technical and Vocational Education accessible to all.
- ii. **Affordable Education:** the institution has reduced or eliminated school fees and provided scholarships or financial aid to trainees from low-income families by signing MOUs with institutions like ACE Africa and SHOFCO.

B. Improving Quality of Education

- i. **Teacher Training:** The institution has allowed ongoing professional development for trainers to ensure they have the skills and knowledge to deliver high-quality education.
- ii. **Curriculum Development:** Update curricula to make it relevant to current societal needs, including critical thinking, digital literacy, and life skills. This has been done through the implementation of the CBET programs.
- iii. **Learning Materials:** The institution has been providing adequate practical materials/equipment, textbooks, digital resources, and other learning materials that cater to diverse learning needs.

C. Engaging the Community

- i. **Parental Involvement:** the institution has encouraged parents to be actively involved in their children's education through regular communication with the institution and participation in the institution activities.
- ii. **Community Programs:** Establish community-based educational programs that can support learning such as young mothers through ACE Africa.
- iii. **Awareness Campaigns:** The institution has been raising awareness about the importance of Technical and Vocational education through media, social campaigns, and community outreach.

D. Promoting Inclusive Education

- i. **Special Needs Education:** the institution has been providing specialized support and resources for trainees with disabilities to ensure they have equal access to education.
- ii. **Gender Equality:** the institution addresses gender disparities by encouraging the enrollment of girls and ensuring a safe learning environment for all genders.
- iii. **Cultural Sensitivity:** the institution respects and incorporates local cultures and languages in the educational system to make learning more relatable and effective.

E. Leveraging Technology

- i. **ICT in the institution:** the institution has integrated information and communication technology (ICT) into the school curriculum to enhance learning and prepare trainees for a digital world.

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F. Government and Policy Support

- i. **Academic Policy:** the institution has developed and implemented strong academic policy that prioritizes academics and quality learning for all.
- ii. **Partnerships:** the institution has encouraged collaboration between governments, NGOs, and the private sector to pool resources and expertise in promoting education.
- iii. **Monitoring and Evaluation:** the institution regularly assesses and monitors academic programs to ensure they meet objectives and make necessary adjustments.

G. Economic and Social Support.

- i. **Youth Employment Programs:** the institution offers vocational training and job placement services to bridge the gap between education and employment.

H. Addressing Barriers

- i. **Safety and Security:** the institution ensures that there is a safe environment, free from violence, bullying, and discrimination.
- ii. **Health Services:** the institution Provides health services and counseling in the institution to address issues that can hinder learning, such as mental health and substance abuse.

e) Corporate Social Responsibility/Community Engagements

It's worth noting that during the financial year ended 30th June 2025, the college carried out a number of outreach programs to the community around the college as follows: Beyond its core educational mission, the Ugunja TVC contributes to community and social development in the following ways:

- a) **Education:** The organization is committed to expanding access to education by offering scholarships, financial aid, and outreach programs to underserved communities.
- b) **Sports:** The Ugunja TVC promotes physical education and sports as part of its holistic approach to student development, supporting the physical well-being of its students. The college upgraded the Mbosie Primary School pitch by installing metallic goal posts and slashing and marking of the pitch, a resource shared by the primary section, secondary section and the local community.
- c) **Healthcare:** The organization supports healthcare initiatives by providing health education, wellness programs, and access to basic healthcare services for students and staff.
- d) **Labour Relations and Staff Training:** The Ugunja TVC invests in its staff through ongoing professional development, fair labor practices, and a positive work environment.
- e) **Water and Sanitation:** Due to water shortage in the area, the college allowed the surrounding households to draw water from its drilled borehole during specified times of the day (from 10:00 to 5:00pm daily). The water source was drilled courtesy of the Ugunja Constituency Development Fund which also sponsored the construction of the fence and donation of the 51 seater disability friendly bus. The college thus enjoys a mutual relationship with the community through such initiatives. The organization contributes to water and sanitation initiatives within its facilities and in the broader community, ensuring access to clean water and promoting hygiene practices.
- f) **Environmental conservation:** The College did away with the anthills within and in the surrounding areas in order to tend to the planted trees given that the area is termite infested to restore forest cover and the indigenous trees brought down by termites.

These practices demonstrate the Ugunja TVC commitment to ethical operations, community engagement, and the overall well-being of its stakeholders.

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11. Report of the Board of Governors

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

Principal Activities

The Principal activities of the college is training and research in technical and vocational education.

Results

The results of the college for the year ended June 30th are set out on page xxiv to xxxii.

Board of Governors

The members of the Board who served during the year are shown on page x to xiii. During the year no Board member retired/ resigned and as such no new appointments were done.

Auditors

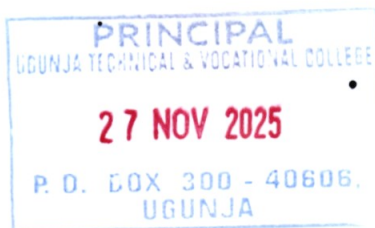
The Auditor General is responsible for the statutory audit of Ugunja TVC in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



Secretary of the Board
Nairobi

Date: 27th November, 2025



12. 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 members to prepare financial statements in respect to Ugunja Technical and Vocational College, to give a true and fair view of the state of affairs of the College at the end of the financial period and the operating results of the College for that period. The Board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The Board members are also responsible for safeguarding the assets of the College.

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

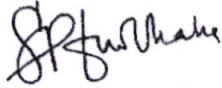
The Board members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013. The Board members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended 30th June, 2025, and of the college's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the college's ability to continue as a going concern. Based on this assessment, the Principal confirms that the institution has adequate financial and operational resources to support its ongoing activities and obligations, that there are no material uncertainties or events that would cast significant doubt on the college's ability to continue functioning as a going concern for at least the next twelve (12) months from the date of this statement and that the financial statements have, therefore, been prepared on a going concern basis. The Board members have reviewed the institution's operational and financial performance, and based on this review, nothing has come to the attention of the Board members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

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

Approval of the financial Statements

The College's financial statements were approved by the Board on 22nd August 2025 and signed on its behalf by:



Eng. Peter Oloo Okaka
Chairperson of the Board



Mr. Tom Oswago
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 UGUNJA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ugunja Technical and Vocational College set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with

the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

Receivables from Exchange transactions

The statement of financial position and as disclosed in Note 16 to the financial statements reflects receivables from exchange transactions of Kshs.81,963,314. Review of ledgers and supporting documentation revealed the following:

- i. Included in this balance is receivables balance totaling to Kshs.44,871,006 or 63.3% of the total receivables that was outstanding for more than three sixty-five (365) days. Management did not provide documentary evidence in form of correspondences indicating efforts made to recover the outstanding amounts from the debtors and provision for doubtful debts was not made. Also, the receivables were presented in full without adjustment for expected credit losses.
- ii. The institution did not maintain an ageing analysis of receivables per debtor/student; instead, receivables ageing was recorded in bulk.

In the circumstances, the accuracy, completeness and recoverability of the trade receivables of Kshs.81,963,314 could not be confirmed.

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

Budget Control and Performance

During the year under review, Ugunja Technical and Vocational College had an approved budget of Kshs.106,038,124 but received Kshs.53,612,812 resulting in under-receipts of Kshs.52,425,312. During the same period, Ugunja Technical and Vocational College recorded expenditure of Kshs.55,044,900 resulting in an over-absorption of Kshs.1,432,088.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal controls, Risk management and governance. However, Management had not resolved the issues as at 30 June, 2025 as detailed below:

S/No.	Financial Year	Issue
1.	2023/2024	Use of Goods and Services
2.	2023/2024	Receivables from Exchange Transactions
3.	2023/2024	Budgetary Control and Performance
4.	2023/2024	Delay in Disbursement of Funds under Government Scholarship Program
5.	2023/2024	Non-Compliance with Law on Ethnic Composition
6.	2023/2024	Understaffing
7.	2023/2024	Uninsured Property, Plant and Equipment

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Gaps in the Staff Establishment

Review of records maintained by Ugunja Technical and Vocational College revealed that although there was an approved staff establishment, the payroll records revealed that the college had a total of seventy-four (74) staff comprising 30 trainers posted by Public Service Commission, 32 posted by Board of Governors and 12 non-teaching staff. However, scrutiny of the staff establishment revealed staff projections for 65 training staff and 27 non-teaching staff resulting in understaffing in the institution contrary to Section 2.14 of the Ugunja Technical and Vocational College Human Resource Manual, 2025 which requires the Principal to declare to the Board all vacant posts within the establishment which are to be filled substantively, or in acting capacity.

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

2. Delays in Disbursement of Government Capitation Grants

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects transfers from other government entities of Kshs.26,713,855 which includes Kshs.4,263,425 and Kshs.13,50,425 received on 23 September,2024 and 18 February, 2025 respectively which is contrary to Regulation 51(1)(e) of the Public Finance Management Regulations, 2015 that requires AIEs to be issued not later than the 15th day of each quarter to allow ample time for delivery, acceptance and payments of goods and services.

The delays in capitation may have impacted negatively on timely service delivery to the stakeholders.

3. Non- Compliance with Law on Ethnic Composition

Review of the payroll bio data provided for audit revealed that out of 44 casuals employed by Ugunja Technical and Vocational College, a total of 36 employees representing 82% came from the dominant ethnic community; contrary to the National Cohesion and Integration Act, 2008 which states that, "no public establishment shall have more than one third of its staff from the same ethnic community."

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

4. Failure to Observe Reservations in Employment

Review of staff bio data provided for audit revealed that out of a total of 44 employees, none are persons with disabilities contrary to Section 13 of the Persons with Disabilities Act, 2022 which states that, "The Council shall endeavor to secure the

reservation of five per cent of all casual, emergency and contractual positions in employment in the public and private sectors for persons with disabilities.”

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 of 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 the Management and the Board of Governors

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

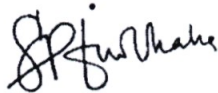
04 December, 2025

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

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

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	26,713,855	11,956,925
Transfers from the National Government – Development Grant	6	0	3,925,000
Total		26,713,855	15,881,925
Revenue from Exchange Transactions			
Rendering of services- fees from students	7	63,991,265	63,847,761
Sale of goods	8	225,007	29,010.00
Other Income	8	190,000	
Revenue from Exchange transactions		64,406,272	63,876,771
Total Revenue		91,120,127	79,758,696
Expenses			
Use of goods and services	9	35,355,663	25,264,608
Employee costs	10	7,531,187	7,216,480
Board Expenses	11	1,410,247	2,259,466
Depreciation and amortization expense	12	4,431,475	4,310,700
Repairs & Maintenance	13	1,410,951	1,610,777
Contracted Services	14	807,908	1,207,610
Total Expenses		50,947,431	41,869,641
Net surplus for the year		40,172,696	37,889,055

The Financial Statements set out on page 1 were signed by:



Eng. Peter Oloo Okaka
Chairman of Board

Date: 27th November, 2025



Jared Opiyo Aketch
Accountant
ICPAK No: ASSOC/4567

Date: 27th November, 2025



Tom Oswago
Principal

Date: 27th November, 2025

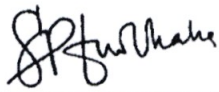


Ugunja Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

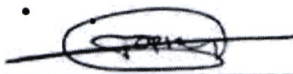
Description	Notes	2024-2025 Kshs	2023-2024 Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	15	13,089,302	15,473,060
Receivables from Exchange transactions	16	81,963,314	44,871,006
Inventories	17	1,980,709	1,385,176.00
Total Current Assets		97,033,325	61,729,242
Non-Current Assets			
Property, Plant, and Equipment	18	105,628,085	101,608,376
Intangible Asset	19	488,960	611,200
Biological Assets	20	200,000	-
Total Non-Current Assets		106,317,045	102,219,576
Total Assets		203,350,370	163,948,818
Liabilities			
Current Liabilities			
Trade and Other Payables From Exchange Transactions	21	0	951,670
Prepayments	22	1,715,026	1,534,500
Total Current Liabilities		1,715,026	2,486,170
Net Assets		201,635,344	161,462,648
Represented By:			
Revaluation Reserves		98,934,508	98,934,508
Accumulated Surplus		102,700,836	62,528,140
Capital Fund		-	-
Net Assets		201,635,344	161,462,648

The Financial Statements set out on page 2 was signed on behalf of the College Board of Governors by:



Eng. Peter Oloo Okaka
Chairman of Board

Date: 27th November, 2025



Jared Opiyo Aketch
Accountant
ICPAK No: ASSOC/4567
Date: 27th November, 2025



Tom Oswago
Principal

Date: 27th November, 2025



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

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

Description	Revaluation reserve	Accumulated Fund	Capital/ Development Grants/Fund	Total
At July 1, 2023	68,000,043	24,639,085	-	92,639,128
Revaluation gain	30,934,465	-	-	30,934,465
Surplus/(deficit) for the year	-	37,889,055	-	33,964,055
Capital grants received during the year	-	-	-	-
Transfer of depreciation/ amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	98,934,508	62,528,140	-	161,462,648
At July 1 2024	98,934,508	62,528,140	-	161,462,648
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	40,172,696	-	40,172,696
Capital grants received during the year	-	-	-	-
Transfer of depreciation/ amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2025	98,934,508	102,700,836	-	201,635,344

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

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities/govt. Grants	6	26,713,855	15,881,925
Rendering of services- fees from students	7	26,483,950	30,804,338
Sale of Goods	8	225,007	21,010
Other Income	8	190,000	8,000
Total Receipts		53,612,812	46,715,273
Payments			
Use of goods and services	9	35,355,663	25,264,608
Employee Costs	10	7,531,187	7,216,480
Board Expenses	11	1,410,247	2,259,466
Repairs & Maintenance	13	1,410,951	1,610,777
Contracted Service	14	807,908	1,207,610
Total Payments		46,515,956	37,558,941
Net cash flows from Operating Activities		7,096,856	9,156,332
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	18	(8,328,944)	(1,382,322)
Purchase of Biological Assets	20	(200,000)	-
Net cash flows used in investing activities		(8,528,944)	(1,382,322)
Cash flows from financing activities			
Payment of Trade and other payables	21	(951,670)	(302,775)
Increase in Capital Funds		-	-
Net cash flows used in financing activities		(951,670)	-302,775
Net Increase/(Decrease) in Cash and Cash equivalents		(2,383,758)	7,471,235
Cash and Cash equivalents at 1 July 2024	15	15,473,060	8,001,825
Cash and Cash equivalents at 30 June 2025	15	13,089,302	15,473,060

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

Description	Original Budget	Adjustments	Final Budget	Actual On	Performance	Utilization
	2024-2025	2024-2025	2024-2025	Comparable	difference	Difference
	Kshs	Kshs	Kshs	Basis		
				2024-2025	2024-2025	2024-2025
				Kshs	Kshs	(%)
Revenue						
Government Development Grant	55,000,000	(43,925,000)	11,075,000	-	(11,075,000)	0%
Transfers from other Government entities	8,587,500	-	8,587,500	17,771,000	9,182,350	207%
Rendering of services- Fees from students	86,015,624	-	86,015,624	35,426,805	(50,588,819)	41%
Other Income	360,000		360,000	415,007	55,007	115%
Total income	149,963,124	(43,925,000)	106,038,124	53,612,812	(52,425,312)	51%
Expenses						
Compensation of employees	15,750,000	-	15,750,000	7,531,187	8,218,813	48%
Use of goods and services	70,308,214	-	70,308,214	35,355,663	34,952,551	50%
Board Expenses	1,422,455	-	1,422,455	1,410,247	12,208	99%
Repairs and Maintenance	6,060,000	-	6,060,000	1,410,951	4,649,049	23%
Contracted Services	1,422,455	-	1,422,455	807,908	614,547	57%
Development	55,000,000	(43,925,000)	11,075,000	8,528,944	2,546,056	77%
Recurrent Expenditure	149,963,124	(43,925,000)	106,038,124	55,044,900	50,993,224	52%
Surplus for the period				(1,432,088)		

Budget Notes

1. The College did not receive any development money for the Ministry during the Financial Year, however it spent what had been disbursed in the previous fiscal years.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(1,432,088)
1	Payment of payables	(951,670)
2	Opening Cash and Cash equivalent balance from the previous year	15,473,060
3	Closing Cash and Cash Equivalent as per the statement of Cash flows	13,089,302

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

19. Notes to the Financial Statements

1. General Information

Ugunja Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2015. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is technical and vocational training.

2. Statement of Compliance and Basis of Preparation

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

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

Standard	Effective date and impact:
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.

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

Standard	Effective date and impact:
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2022:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets. d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.

ii. Early adoption of standards

There are no new standards in the year ended 30th June 2025.

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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. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii. Revenue from exchange transactions

Rendering of services

Ugunja TVC 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.

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on 30th January, 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals to conclude the final budget. Accordingly, the College recorded additional appropriations of **Kshs. (42,935,000)** on the FY 2024/2025 budget following the Board's approval.

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.

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c) Taxes

Current income tax

The college is exempted from paying taxes as per the schedule chapter 501 C 3 internal revenue code, 501 of income Tax Act, 2012.

Sales Tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

The college used the following depreciation rates on its assets:

Assets	Rate
Buildings	2%
Building (Temporary Erection)	10%
Furniture's And Fittings	13%
Software/Intangible Asset	20%
Computer And Accessories	30%
Cutlery And Catering Equipment	30%
Plant And Equipment	10%
Motor Vehicle	10%

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f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The college 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 so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

The college 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 college, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

The college expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the college 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

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

j) Financial instruments

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

Ugunja TVC classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the college'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 college 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.

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Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

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k) Inventories

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

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

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

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

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

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m) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The college recognizes a social benefit as an expense for the social benefits scheme at the same time that it recognizes a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the college will incur in fulfilling the present obligations represented by the liability. There were no social benefits offered by the College.

n) Nature and purpose of reserves

The college has not created and maintained reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee Benefits

Retirement benefits plan

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

q). Foreign currency transactions

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

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r) Borrowing costs

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

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

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5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The college 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 college. 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 college.
- 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 for depreciation is included in Note 18.

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. The college has provided for cost of assets a waiting valuation by the Government experts. This provision was based on the prevailing market rates.

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6. Transfers from other National Government Entities

Description	2024-2025	2023-2024
	KShs	KShs
Unconditional grants		
Operational grant	-	0
Capitation grants and Scholarship	26,713,855	11,956,925
Conditional grant		
Development Grants for Construction of Classroom Complex	-	3,925,000
Total government grants and subsidies	26,713,855	15,881,925

(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 TVET	26,713,855	-	-	26,713,855	11,956,925
Ministry of Education	-	-	-	-	3,925,000
Total	26,713,855	-		26,713,855	15,881,925

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7. Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Tuition	3,136,885	23,982,201
Activity	2,202,574	4,000,368
Examination Fees	5,819,156	2,416,645
Library Fees	-	1,425,000
Electricity, Water & Conservancy	343,891	3,001,473
Administration Cost	3,953,727	6,561,585
Repairs, Maintenance & Improvement	861,555	2,259,56
Student Organization	69,447	707,236
Industrial Attachment	973,791	1,394,828
Medical	12,585	966,658
Research	711,333	1,707,000
Local Transport & Travel	2,709,208	6,128,611
Personnel Emoluments	4,892,019	6,000,457
Development	-	2,000,133
Registration	787,779	1,296,003
Donation	10,000	0
Total revenue	26,483,950	63,847,761
Accrual for the Period	37,507,315	
Grand Total Revenue	63,991,265	63,847,761

8. Sale of Goods (Other Income /Production Unit)

Description	2024/2025	2023/2024
	Kshs	Kshs
Sale of Milk	146,260	
Sales From Food And Beverage Department	18,550	21,010
Sales of Vegetables	56447	
Sales of Bananas	250	
Sales of T-shirts	2,500	
Sales of tender documents	1,000	8,000
Savings from bus fuels	190,000	
Total	415,007	29,010

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9. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Tuition	5,137,212	4,343,062
Activity	3,607,110	1,069,294
Examination Fees	9,529,914	4,436,933
Library Fees	-	439,783
Electricity, Water & Conservancy	563,184	354,072
Administration Expenses	6,474,939	8,909,997
Student Organization	113,732	135,665
Industrial Attachment Cost	1,594,758	598,034
Medical Expenses	20,610	-
Research and Innovations	837,400	287,150
Local Transport & Travel	4,436,814	3,382,191
Development	-	559,927
P.U	685,870	
Marketing	1,032,460	
Bank Charges	31,530	
Registration	1,290,130	748,500
Total Goods and Services	35,355,663	25,264,608

10. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and Wages	5,839,850	5,906,675
Employee related costs – Contributions NSSF, NHIF/SHA, NITA and PAYE, Housing Levy	1,691,337	1,309,805
Total	7,531,187	7,216,480

11. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Sitting Allowance	1,112,748	1,845,000
Transport Allowance	144,000	
Board related Expenses	153,499	414,466
Total	1,410,247	2,259,466

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12. Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, Plant and Equipment	4,309,235	4,157,900
Intangible Assets	122,240	152,800
Total depreciation and amortization	4,431,475	4,310,700

13. Repairs, Maintenance and Improvement

Description	2024-2025	2023-2024
	Kshs	Kshs
Cleaning materials	457,112	132,000
Window grills and chairs	-	563,470
Electrical and plumbing materials	753,639	272,900
Landscaping	-	34,450
Repair property (classrooms)	200,200	607,957
Total	1,410,951	1,610,777

14. Contracted Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Security services	807,908	594,000
Property valuation	-	613,610
Total contracted services	807,908	1,207,610

15. Cash and Cash Equivalents

Description		2024-2025	2023-2024
Financial institution	Account number	Kshs	Kshs
a) Current Account			
KENYA COMMERCIAL BANK			
Current account – Operational	1263416225	8,906,177	6,480,552
Current account – Development	1263709354	4,168,455	8,925,033
Sub- total		13,074,632	15,405,585
Others			
Cash in hand		14,670	67,475
Grand total		13,089,302	15,473,060

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current account			
Kenya Commercial Bank – Fee Account	1263416225	8,906,177	6,480,552
Kenya Commercial Bank – Operation A/C	1263709354	4,168,455	8,925,033
Sub-total		13,074,632	15,405,585
b) Cash in hand		14,670	67,475
Sub – Total		14,670	67,475
Grand total		13,089,302	15,473,060

16. Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Students Debtors	81,963,314	44,874,006
Total	81,963,314	44,871,006

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

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2024/2025	% of the total
Less than 1 year	37,092,308	45%	13,956,000	31.1%
Between 1- 2 years	13,956,000	17%	3,856,480	8.6%
Between 2-3 years	3,856,480	5%	7,172,456	16%
Over 3 years	27,058,526	33%	19,886,070	44.3%
Total	81,963,314	100%	44,871,006	100%

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17. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Stationery	458,045	399,659
Cleaning Materials stores	98,264	117,948
Practical Materials	414,007	237,093
Catering stores	142,921	61,260
Electrical stores	261,769	57,537
Building Store	491,933	230,729
Hair Dressing and Beauty Therapy	112,920	280,950
Farm	1,250	0
Total	1,980,709	1,385,176

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18. Property, Plant and Equipment

	Land	Buildings	Furniture & Fittings	Computer & Computer Accessories	Catering Equipment & Cutlery	Plant & Equipment	Motor Vehicle	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	-	0.02	0.13	0.30	0.30	0.10	0.10	
At 1st July 2020	3,000,000	54,386,080	1,815,664	25,512	15,091	6,634,902	-	65,877,249
Additions/ Transfers/ Adjustments	-	-	986,500	415,000	236,532	50,000	-	1,688,032
At 30th June 2021	3,000,000	54,386,080	2,802,164	440,512	251,623	6,684,902	-	67,565,281
Depreciation	-	(3,934,932)	(560,432)	(176,204)	(50,324)	(1,336,980)	-	(6,058,872)
At 1st July 2021	3,000,000	50,451,148	2,241,732	264,308	201,299	5,347,922	-	61,506,409
Additions/ Transfers/ Adjustments	-	3,949,233	699,000	694,622	86,026	886,817	-	6,315,698
At 30th June 2022	3,000,000	54,400,381	2,940,732	958,930	287,325	6,234,739	-	67,822,107
Depreciation	-	(2,176,015)	(294,073)	(385,572)	(28,733)	(935,211)	-	(3,819,604)
At 1st July 2022	3,000,000	52,224,366	2,646,659	573,358	258,592	5,168,301	-	63,871,276
Additions	-	683,090	977,800	174,150	46,795	30,000	-	1,911,835
Transfers	3,704,972	-	-	-	-	-	-	3,704,972
At 30th June 2023	6,704,972	52,907,456	3,624,459	747,508	305,387	5,198,301	-	69,488,083
Depreciation	-	(2,645,373)	(453,057)	(248,920)	(30,539)	(779,745)	-	(4,157,634)
At 1st July 2023	6,704,972	50,262,083	3,171,402	498,588	274,848	4,418,556	-	65,330,449
Additions/ Transfers/ Adjustments	-	491,112	225,000	227,040	20,585	37,625	8,500,000	9,512,322
At 30th June 2024	6,704,972	50,753,195	3,396,402	725,628	295,433	4,456,181	8,500,000	74,831,811
Depreciation	-	(2,537,660)	(424,550)	(211,984)	(29,543)	(668,427)	(285,736)	(4,157,900)
Transfer/ Adjustments	(500,000)	31,434,465	-	-	-	-	-	30,934,465
As at 1st July 2024	6,204,972	79,650,000	2,971,852	513,644	265,890	3,787,754	8,214,264	101,608,376
Additions/ Transfers/ Adjustments	-	4,756,578	386,464	2,159,352	-	1,026,550	-	8,328,944
Depreciation	-	(1,688,132)	(436,581)	(801,899)	(79,767)	(481,430)	(821,426)	(4,309,235)
Net book Value At 30th June 2025	6,204,972	82,718,446	2,921,735	1,871,097	186,123	4,332,874	7,392,838	105,628,085

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18 (a) 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	6,204,972	-	6,204,972
Buildings	84,406,578	1,688,132	82,718,446
Plant and Machinery	8665,894	4,333,020	4,332,874
Catering Equipment & Cutlery	656,131	218,906	186,123
Computer and Related Equipment	3,444,574	1,824,579	1,871,097
Furniture, And Fittings	5,090,428	2,168,693	2,921,735
Motor Vehicle	8,500,000	1,107,162	7,392,838
Total	116,968,577	11,340,492	105,628,085

19. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	611,200	464,000
Additions	-	300,000
At end of the year	611,200	764,000
Additions—internal development	-	-
At end of the year	611,200	764,000
Amortization and impairment	-	(152,800)
At beginning of the year	611,200	611,200
Amortization	-	-
At end of the year	611,200	611,200
Impairment loss	-	-
At end of the year (June 30 th 2024)	611,200	611,200
As at 1 st July 2024	611,200	611,200
Amortization	122,240	-
NBV (as at 30th June 2025)	488,960	611,200

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20. Biological Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Dairy Cattle (Friesian cow)	200,000	-
Total	200,000	-

21. Trade and Other Payables

Description	2024/2025	2023/2024
	Kshs	Kshs
Trade creditors	-	951,670
Total	-	951,670

22. Prepayments

Description	2024/2025	2022/2023
	Kshs	Kshs
Student fee paid in advance	1,715,026	1,534,500

23. Cash generated from operations.

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus for the year before tax		
Surplus	40,294,936	37,889,055
Adjusted for:		
Depreciation	4,431,475	4,310,700
Working Capital Adjustments		
Increase in Inventory	(717,773)	459,246
Increase in Receivables	(37,092,308)	(14,113,789)
Increase in Payables	-	22,275
Increase in Payments received in advance	180,526	315,900
Net Cash Flow from Operating Activities	7,096,856	(7,744,204)

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 minimize 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:

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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	Fully performing	Past due	Impaired
At 30 June 2023	Kshs.	Kshs.	Kshs.	Kshs.
Receivables from exchange transactions	16,845,043	16,845,043	21,202,240	4,357,197
Receivables from non-exchange transactions	7,929,000	7,929,000	5,998,500	1,930,500
Bank balances	7,988,321	2,961,060	16,642,246	13,681,186
Total				
At 30 June 2024				
Receivables from exchange transactions	45,023,806	16,845,043	21,202,240	4,357,197
Receivables from non-exchange transactions	11,956,925	11,993,500	25,950,000	17,956,500
Bank balances	15,405,586	6,480,552	-	-
At 30 June 2025				
Receivables from exchange transactions	26,483,950	26,483,950	25,993,385	9,433,420
Receivables from non-exchange transactions	26,713,855	26,713,855	13,399,000	4,372,000
Bank balances	13,089,302	8,921,302	25,950,000	(17,028,698)

(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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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 recognized 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 30th June 2025. The board of Governors sets the college'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.

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 optimizing 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.

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.

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Management of interest rate risk

To manage the interest rate risk, management has endeavored to bank with institutions that offer favorable 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.

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:

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

- i) The National Government;
- ii) The Ministry of Education;
- iii) Key management;
- iv) Board of governors;

25. Events after the Reporting Period

There were material adjusting and non-adjusting events after the reporting period.

26. Currency

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

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27. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/UGUNJATVC /2021/2022/(28)	Inaccuracy in the financial statements	The management reconciled the inaccuracies as was presented in the amended financial statements for accuracy.	Resolved	
OAG/UGUNJATV C/2021/2022/(28)	Irregularities in Property Plant and Equipment	The management passed the journal entries for the correction of the variances to show true and fare view of the status of the entity.	Resolved	
OAG/UGUNJATV C/2021/2022/(28)	Outstanding student debtors	The management communicated to the Ministry for the non-remittance.	Not resolved	Indefinite
OAG/UGUNJATVC/ 2021/2022/(28)	Prior year matters	The college did not receive Capitation for 175 trainees for financial year 2019/2020 Quarter 3 and 4 amounting to Ksh. 2,625,000.00 recurrent grant amounting to Ksh. 1,000,000.00 for first and second Quarter and development grant amounting to Ksh. 17,000,000.00 thus totaling to Ksh. 20,625,000.00 further there was a delay in HELB disbursement amounting to Ksh 146,878.00	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/UGUNJATVC/2021/2022/(28)	Budgetary control and performance	The college did not receive Capitation for 175 trainees for financial year 2019/2020 Quarter 3 and 4 amounting to Ksh. 2,625,000.00 recurrent grant amounting to Ksh. 1,000,000.00 for first and second Quarter and development grant amounting to Ksh. 17,000,000.00 thus totaling to Ksh. 20, 625,000.00 further there was a delay in HELB disbursement amounting to Ksh. 146,878.00	Resolved	
OAG/UGUNJATVC/2021/2022/(28)	Failure to gazette appointments of Board of Governors	The management of Ugunja requested for the Gazette notice for the Board Members Appointment from the Principal Secretary of the State Department for Vocational and Technical Training parent ministry. Given that the Cabinet Secretaries office does the appointment.	Resolved	
OAG/UGUNJATVC/2021/2022/(28)	Gaps in staff Establishment	The Government through Public Service Commission posted 16 trainers to the college thus alleviated the problem.	Resolved	
OAG/UGUNJATVC/2021/2022/(28)	Lack of internal Audit Function	The management has an audit committee in place and has sourced for an Institutional Internal Auditor to enhance its operations and minimize internal control process.	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/KSM/AUD/13/11/(2)	Inconsistencies in use of goods and supporting ledgers	Journal entries passed	Resolved	
OAG/KSM/AUD/13/11/(2)	Receivables from exchange transactions	Supporting ledgers provided	Resolved	
OAG/KSM/AUD/13/11/(2)	Budgetary control and performance where there was under-expenditure	Future budgets be subjected to timely budget reviews to ensure efficient budget implementation.	Ongoing	Indefinite
OAG/KSM/AUD/13/11/(2)	Delay in disbursement of funds under Government scholarship program	The process of categorizing the students into bands was challenged in court and the management had communicated to the State Department for TVET concerning the arrears.	Ongoing	Indefinite
OAG/KSM/AUD/13/11/(2)	Non-compliance with law on ethnic composition	The management advertises and uses meritocracy in the recruitment process thus making it have limited control in the outcome.	Ongoing	Indefinite
OAG/KSM/AUD/13/11/(2)	Understaffing where the projected staff establishment was not attained	This is attributable to the principle of sound financial management and contractual obligations resulting from unreliability and unpredictability of financial government funding making the college to operate lean and fit.	Ongoing	Indefinite

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/KSM/AUD/13/11/(2)	Uninsured property, plant and equipment	Due to budgetary constraints the college is making efforts to insure all its property, plant and equipment in the near future. Currently, only the motor vehicle is insured.	Ongoing	Indefinite



Tom Oswago
Accounting Officer (PRINCIPAL/BOG SEC.)

Date:

PRINCIPAL
 UGUNJA TECHNICAL & VOCATIONAL COLLEGE
27 NOV 2025
 P. O. BOX 300 - 40506,
 UGUNJA

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Appendix II: Projects Implemented by Ugunja TVC

Projects

Projects implemented by The Ugunja Technical and Vocational College

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Enterprise Resource Planning (ERP)		BOG		45%	N/A	Yes
Building and Civil Engineering Complex		National Government		100%		Yes

Status of Projects Completion

	Project	Total Project Cost	Total Expended to date	Completion % to date	Budget	Actual	Sources of funds
1.	Building and Civil Engineering Complex	51,000,000	4,756,578	9.6%	20,000,000	8,295,000	Gok

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Appendix III: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Greening of TVET	Tree Planting and Beautification of College	To Achieve the Beta Agenda of Planting 300,000 trees	Planting about 8,447 trees during the year	1,772	1,900	1,220	3,555	BoG	KEFRI, KCB and Neighboring Schools

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Appendix IV: 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	(Kshs)	Comments
NIL	NIL	NIL	NIL	NIL	NIL	NIL