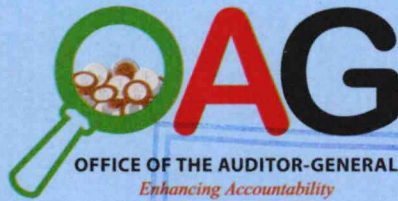


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

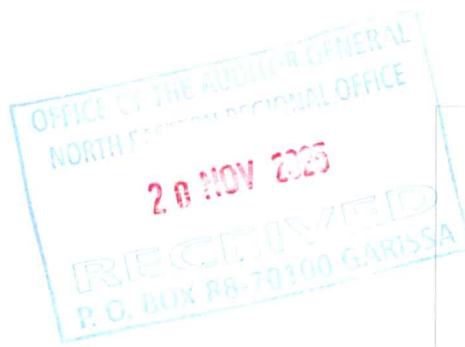
ON

TARBAJ TECHNICAL AND VOCATIONAL
COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

WAJIR COUNTY





TARBAJ TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms & Glossary of Terms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity

2. Key Entity Information and Management

(a) Background information

Tarbaj East Technical and Vocational College is a technical institution established by the government in 2015. It is situated in the Tarbaj constituency within Wajir County, 55 kilometres from Wajir town.

(b) Principal Activities

Mandate

Provide Technical and vocational Education and Entrepreneurship Training geared towards Self-Reliance to meet Labour Market needs.

College Motto

Engineering and technology for reliance

Objectives

1. To develop skills and expertise among trainees.
2. To encourage trainees to consider self-employment as a career option.
3. To involve the trainees on matters of tree planting to compact climatic change.
4. To mainstream national values and national cohesion in the institution operations.
5. To diversify the existing curriculum for artisan, craft and diploma courses that are in line with national market demand.
6. To raise enrolment to higher status.
7. To provide continuous upgrading of skills and knowledge to meet the labour market demand national development agenda.
8. To create collaboration linkages with industry and other relevant institution for continuous transfer of technology.

(c) Key Management

The College Day-day management is under the following key organs:

- i. The principal
- ii. Deputy principal

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Abdullahi Omar Sheikh
2	Deputy principal	Ahmed Shaban Abdirahman

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Finance committee of the BOG

The Committee shall exercise all the powers of the Board of Governors in financial matters except for the items reserved to the Board of Governors in these Standing Orders, on which the Committee shall advise the Board of Governors.

Terms of Reference

The role of the Committee shall be to monitor the financial status of the College on behalf of Board of Governors. In addition to advising Board of Governors on those matters referred to above, the Committee's responsibilities shall include:

- a) To monitor and facilitate the implementation of the College's strategy with regard to financial matters.
- b) To receive reports from the Principal and the Finance Officer.
- c) To monitor implementation of the strategy for the College estate.
- d) To receive reports of the extent and condition of the College estate, including the efficiency of space utilisation, energy consumption, and the adequacy of property insurance arrangements.
- e) To consider the adequacy of the College estate and proposals for its maintenance and development, including opportunities to dispose of and acquire new properties.
- f) To determine the fees for college services and facilities.
- g) To supervise the financial administration of the College and make recommendations to the Board of Governors where appropriate.
- h) To supervise the arrangements for safeguarding the College's assets.
- i) To ensure the proper financial evaluation and control of projects.
- j) To supervise the arrangements for investing the College's funds, including monitoring the performance of investments.
- k) To ensure the appropriate exploitation of the College's intellectual property.
- l) To make recommendations to Board of Governors on the financing of projects.
- m) To supervise the effective and efficient procurement and use of resources in accordance with the objectives of the College.
- n) To supervise the College's purchasing procedures and practices.
- o) To submit an annual statement on its activities to Board of Governors.
- p) To keep under review the activities of the College 's various department

Academic committee activities

The academic committee of the Board is entrusted with the following roles and functions:

- a. To satisfy itself regarding the content and academic standard of any course of study in respect of any diploma, certificate or other award and to report its findings thereon to the Board.
- b. To propose regulation for consideration by the Board regarding the eligibility of persons for admission to a course of study,
- c. To propose regulations for the Board's consideration regarding the standard of proficiency to be gained in each examination for a diploma, certificate, or other award.

- d. To approve study programs, regulate persons' admission to Tarbaj, and determine their continuance or discontinuation in such programs.
- e. To determine the Academic policy of Tarbaj and to advise the Board on the provision of facilities to carry out that policy,
- f. To direct and regulate the teaching and instruction within the College subject to the powers of the Board.

Management Committee Activities

The primary purpose of the Senior Management Team is to:

- 1) Ensure that Tarbaj Board of Governors is able to take strategic decisions relating to Tarbaj activities
- 2) Provide leadership in communicating Tarbaj mission, values, plans, and achievements effectively and consistently to the Board of Governors Members, staff, Government, the voluntary and community sector, the general public, and other stakeholders;
- 3) Be accountable for the development and implementation of tarbaj strategic, corporate and business plans in line with the mission and values;
- 4) Take a strategic overview of performance in all areas of Tarbaj activities.

Specifically, the Senior Management Team:

- 1) Makes recommendations to the Council on the implementation and achievement of the Board of Governors' Strategic Framework;
- 2) Agrees Tarbaj Corporate Plan, and monitor delivery through appropriate key management and performance information reporting to the Board of Governors as appropriate.
- 3) In the light of income projections and forecasts, considers the annual grants and operational expenditure and monitors such expenditure;
- 4) Develops, agrees, monitors, and reviews strategies relevant to the effective and efficient operation of Tarbaj, making recommendations as appropriate to the Board of Governors and/or its relevant Committees;
- 5) Determines strategic issues arising from the introduction of new policies or processes, including actively managing risk across the organisation and regularly reviewing the corporate risk register;
- 6) Oversees and monitors Tarbaj joint work with the other stakeholders
- 7) Considers the impact of external factors and developments, including specific political initiatives and the response to key consultation documents, and where appropriate, makes recommendations to the Board of Governors and/or its relevant Committees.
- 8) Leads all senior managers in motivating and developing Tarbaj staff to deliver the highest performance and customer service standards.

Government oversight activities

The Government of Kenya's oversight role includes providing Grants for Operations and Development and the regulatory framework.

The Office of the Auditor General undertakes the audit of Instructional activities.

- (f) **Entity Headquarters**
P.O. Box 32-70200 Wajir
Tarbaj Technical And Vocational College Building
Tarbaj -Wajir, Kenya
- (g) **Entity Contacts**
Tarbaj Technical And Vocational College
P.O. Box 32-70200
Wajir, Kenya
Telephone: 0721942741
E-Mail: tarbajtvc@gmail.Com
- (h) **Entity Bankers**

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

KCB –Garissa Branch
A/C NO: 1293057150
- (i) **Independent Auditors**

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

Key Entity Information and Management (Continued)

(j) Principal Legal Adviser

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

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

3.The Council/Board of Governors

S. No	Governor	Title	Photograph	Responsibility	Date of birth qualifications and work experience
1	Mahat A.dhore	Chairman		Overall management of the Board of Governors' activities	Bachelors of Education Technology
2	Abdullahi Omar sheikh	Principal/secretary, BOG		In charge of the overall management of the COLLEGE	<p>D.O.B :1993</p> <p>Qualifications</p> <ul style="list-style-type: none"> ✓ MSc ICT integration in education and instructional design - JKUAT (in progress) ✓ Bachelor of computer science <p>Experience</p> <ul style="list-style-type: none"> ✓ Principal Tarbaj tvc ✓ Registrar Mandera technical ✓ Dean of students at Mandera Technical ✓ Trainer at Mandera TTI ✓ Director and founder of Al-Abrar mixed sec school
3	Mohamed Othowai	Member		Independent member	
4	Fathi Abdullahi Mohamed	Member		Independent member	MBA (Finance option) CPA (K)
5	Mohamed Ali Abdi	Member			BSC water and environmental engineering.

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

6	Ahmed Abdi Muhumed	Member			BSC in ICT & BeD English literature
7	Aden Bare Salat	Member			BSc MBA (project management)
8	Suleiman Abdi Abdille	Member		Independent member	BSC of developmental studies & Diploma in Telecommunication

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

4. Key Management Team

1. NAME & QUALIFICATION	DESIGNATION
Mr. Abdullahi Omar Sheikh Qualifications ✓ M.Sc. ICT integration in education and instructional design -JKUAT (in progress) ✓ Bachelor of computer science	PRINCIPAL
2. MR. Ahmed Shaban Abdirahman Qualifications Bachelor in Agriculture	D/PRINCIPAL

5. Chairman's Statement

Tarbaj Technical and Vocational College was established as a TVET Institution in 2015 and operationalized in 2022. It aimed to offer technical courses to Form Four leavers. The College provides business and technical courses. A Board of Governors manages it, and the government offers lecturers in the various fields of study.

It has been noted that the expected growth in students' enrolment at Tarbaj TVC and the founders' vision regarding national/global trends in education, research, and technology have not been realized.

This Board's inaugural meeting was on August 5, 2023, after the College was opened after its appointment by the cabinet secretary of education by TVET Act No.29 of 2013. I appreciate the financial support given by the Government in the form of recurrent and development grants, which has seen us achieve some notable developments.

However, the government's financial support is delayed, making operations difficult. The College is in a semi-arid zone, making service provision quite difficult. We are struggling with the challenges of water and accommodation. There are no hostels or staff quarters, so students have no accommodation. Being in a rural area, the college has students who cannot afford to pay fees due to the poverty index.



MAHAT AHMED DHORE
BOG CHAIRMAN

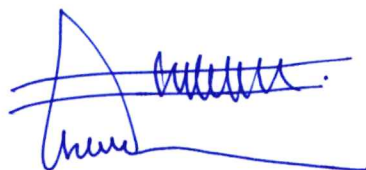
6. Report of the Principal

Tarbaj technical and vocational college began operating in January 2022. We have tried our best to align our core functions and objectives so that we can become an integral part of the nation in realizing Vision 2030.

Our vision ‘to be a centre for excellence in technology and Research in Kenya and beyond’ is one of our pillars in the 2030 vision and is our driving force for spurring skills into economic competitiveness.

For a long time, TVET institutions had their books of accounts audited by the Kenya schools audit department until June 2019, when a Ministry circular instructed that the auditor general's office would take over the work.

Our vision is to achieve this through the maximum utilization of school fees. Our current first lot of students could not pay fees due to the poverty index of this community, and most of them are vulnerable youth. We run the college with Government grants and other funds; we shall significantly improve the College’s education services and human capacity. This will facilitate tremendous expansion for more programs. Our vision is for Tarbaj TVC to become a center of excellence for the pastoral communities in Wajir. The college has started the implementation of the CBET Curriculum as directed by the State Department of TVET and is registered with TVET CDACC as an exam body. The college is also registered with TVETA and KUCCPS.



ABDULLAHI OMAR SHEIKH
PRINCIPAL/SECRETARY BOG

7. Statement of Performance against Predetermined Objectives

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

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievem
Pillar 1:	Access and equity	To promote access and equity with a focus on youth, women, and PLWDS	Access to loans, bursaries, and sponsorships Application of modern techniques in teaching	Increase access to relevant TVET education Enhance the quality of curriculum delivery	Increased access TVET programs Improved training methods
Pillar 2:	Corporate governance	To enhance inclusivity in institutional corporate governance	Involvement of both BOG and management in key decision-making process	Provide leadership in making key strategic decisions	Prudent re
Pillar 3:	Public-private partnerships	To encourage collaboration and linkages with County Government and stakeholders	Lobby for bursaries from the county government kit Create opportunities for the provision of mutual products and services to all players.	Collaborate with the county government to ensure that youth access TVET. Partner with industry on areas of research, job absorption, and attachments	Higher ac to TVET Efficient trainers equipped skills

Tarbaj technical and vocational college develops its annual work plans based on the principles of good governance. The Board's performance against its annual work plan is assessed quarterly.

8. Corporate Governance Statement

i. Appointment of BOG Members

The Cabinet Secretary of the MOE appoints members of the Board following proposals from the college principal. The board consists of nine members. The Board of Governors for Tarbaj technical and vocational college serves for three years. The Board may set up such committees and assign such responsibilities as it may deem fit.

ii. Role and Functions of the Board of Governors

The functions of the organs set out under section 28 (1) shall include —

- (a) Overseeing the conduct of education and training in the institutions by the provisions of this TVET Act and any other written law;
- (b) Promoting and maintaining standards, quality, and relevance in education and training in the institutions per this TVET Act and any other written law;
- (c) Administering and managing the property of the institution;
- (d) Developing and implementing the institutions' strategic plan;
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
- (f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests, or other moneys and to make disbursement to the institution or other bodies or persons;
- (g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole following the guidelines developed under the provisions of the TVET Act; 855 2013 Technical and Vocational Education and Training No. 29
- (h) Mobilizing resources for the institutions;
- (i) Developing and reviewing programmes for training and to make representations thereon to the Board;
- (j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- (k) Approving collaboration or association with other institutions and industries in and outside Kenya
 - (1) Recruiting and appointing trainers from among qualified professionals and practising trade's persons in relevant sectors of industry;
- (m) Determining suitable terms and conditions of service for support staff, trainers, and instructors and remunerating the staff of the institutions, in consultation with the TVET Authority;
- (n) Making regulations governing organization, conduct, and discipline of the staff and students;
- (o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services, and submitting the same to the ministry
- (p) Providing for the welfare of the students and staff of the institutions;
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and

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

(r) Discharging all other functions conferred upon it by this Act or any other written law.

iii. Board of Governors Allowances

The college gives sitting allowances to board members to cover their transport expenses.

iv. Meetings

- a. Full board meetings - are held once every term and
- b. board committee meetings- once every term

Number of Board Members

During the audit period, the college had eight board members, including the principal and the secretary to the board.

9. Management Discussion and Analysis

i. Operational Performance;

Management has worked hard to make living for the students in the college easy by working so hard to see if they can get more hostels for both ladies and men.

Financial Performance

College's compliance with statutory requirements

The college complies with making statutory payments before the relevant deadlines. The college workers' pay P.A.Y.E Tax as generated on the I-tax portal.

Significant risks facing the entity

Water scarcity-The College is facing adverse effect of water shortage due to lack of reliable constant water supply.

10. Environmental and Sustainability Reporting Statement

Tarbj 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, which is founded on three pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

Economic sustainability embraces general aspects of an organisation that have to be respected. The use of such generic aspects seems meaningful, as good results in these aspects are likely to lead to good financial and sustainability results of the college. The management of the college has developed the following sustainability strategies:

- Innovation and Technology
- Collaboration-good cooperation and collaboration with other institutions, county government and other stakeholders.
- Sustainability reporting. -the college reports sustainability issues within the College's report separately or incorporated in the integrated college's report

2. Environmental performance

The environmental impact of an organization is an important factor in evaluation of a given corporate level of social responsibility. Deficiency in public awareness of the importance of the environment is the main causes of the low social responsibility among the institution. The environmental performance of food firm exerts influence on the corporate social responsibility.

3. Employee welfare

Tarbj technical and vocational colleges seeks to improve the welfare of its employees through:

- Increased organisational citizenship behaviours and improved employee relationships
- Enhanced employee identification with the organization
- Improved retention and organizational commitment
- More attractive institution culture to prospective employees
- Better employee engagement and performance
- Increased creativity

Tarbj technical and vocational colleges is an equal employer were all the applicants have equal chances of been employed irrespective of their gender, tribe or religion. The college ensure gender ratio any time recruitment is taking place. There is a standardised appraisal and rewarding system which applies to all employees within the college. Tarbj technical and vocational colleges discloses its safety policy and compliance with occupational safety and healthy Acts of 2007, (OSHA)

4. Market place practices-

Tarbj technical and vocational college maintains corporate social responsibility in the market place practices through: -

The college and the suppliers take responsibility to do no harm to the environment, to reduce waste and pollution as well as complying with the government

regulations. In order to stay away in the competition, the COLLEGE determines its strategies and plan their relevant activities

5. Corporate Social Responsibility /Community Engagements-

Tarbij technical and vocational colleges seeks and maintain important links with the community. The college combine with the public, business and civil constituencies who engage in voluntary, mutual beneficial, innovative relationships to address common societal aims through combining their resources and competencies.

Tarbij technical and vocational colleges engage in community developments as follows:

Training of community professionals in computer support and maintenance

- Students perform voluntary projects during vacations to the community where they share experiences, knowledge and sustainable practices within the community.
- Students support vulnerable communities in the development and improvement of their housing spaces

1. Implementation of a community engagement programme to empower jobless youth

11. Report of the Council/Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024 which shows the state of the College's affairs.

Principal activities

The core mandate of the college is providing knowledge and skills to the people of the larger Wajir County and beyond.

The Mandate of Tarbaj technical and vocational college is to train, impart skills, knowledge and institutionalize effective research and development geared towards production of competent graduates who will contribute to high and sustainable social-economic development.

Results

The results of the entity for the year ended 30th June 2024 are set out on Page 1-5

Council/Board of Governors

The members of the Board /Council who served during the year are shown on pages (vii) to (xviii). The year ended on 30 June 2024.

Auditors

The Auditor General is responsible for the statutory audit of Tarbaj technical and vocational college in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

12. Statement of board of governors/council members' responsibilities

The board members are responsible for the preparation and presentation of the financial statements of the Tarbaj technical and vocational college, which give an accurate and fair view of the state of affairs of the college for and as at the end of the financial year (period) ending on June 30, 2025. The BOG responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the college;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safe guarding the assets of the college;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The BOG members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *the TVET Act 2013*). The BOG members believe that the College's financial statements give an accurate and fair view of the state of transactions during the financial year ending June 30, 2025, and the College's financial position as of 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.

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.

Approval of the financial statements

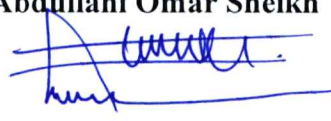
The college's financial statements were approved by the Board on 9th August 2025 and signed on its behalf by:

Name: Mahat Ahmed Adhore


Signature

Chairperson of the Board/Council

Name: Abdullahi Omar Sheikh


Signature

Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000

Email: info@oagkenya.go.ke

Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON TARBAJ TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025 – WAJIR COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tarbaj Technical and Vocational College set out on pages 1 to 25, 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

Report of the Auditor-General on Tarbaj Technical and Vocational College for the year ended 30 June, 2025 – Wajir County

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

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

Basis for Qualified Opinion

1. Loss of Revenue Through Waiver of Tuition Fees

The statement of financial performance reflect revenue from exchange transactions of Kshs.454,000 as disclosed in Note 7 to the financial statements. The College admitted and enrolled one hundred and five (105) students with an approved fee of Ksh.67,189 per student, which should have resulted to expected revenue from fees of Kshs.7,054,845. However, it was noted that the College waived student fees and thereby only received Kshs.454,000 in form of bursary from other public entities, resulting in an under collection of Kshs.6,600,845.

In the circumstances, the College lost revenue amounting to Kshs.7,054,845.

2. Lack of Ownership Documents and Unsupported Disclosure of Assets

The statement of financial position reflects net book balance of Kshs.74,764,728 in respect of property, plant, and equipment as disclosed in Note 15 to the financial statements. However, the College owns immovable assets including land, buildings, equipment and computers whose values were not disclosed in the financial statements. In addition, the ownership document for land was not provided for audit. Further, the College did not maintain a fixed asset register.

In the circumstances, the accuracy, completeness and ownership of the property, plant and equipment balance of Kshs.74,764,728 could not be confirmed.

3. Unsupported Accounts Receivables

The statement of financial position reflects a balance of Kshs.6,492,034 in respect of receivables from exchange transaction as reflected in Note 14(a) the financial statements. However, Management did not provide the ledgers supporting the balance indicating details including names of the students, admission numbers, class, balance brought forward, amount invoice and paid during the year.

Further, Management did not provided measures it intends to take to ensure effective collection of fees to reduce high fees arrears as required by Regulation 64(1) of the Public Finance Management (National Governments) Regulations, 2015.

In addition, a policy on debtors and provision for bad and doubtful debts was not disclosed in the summary of significant accounting policies section of the financial statements.

In the circumstance, the accuracy and completeness of the receivables balance of Kshs.6,492,034 could not be confirmed.

4. Unexplained Prior Year Adjustment

The statement of changes in net assets reflects total net assets of Kshs.85,495,454. Included in the statement is prior year adjustments of Kshs.283,132 on capital fund. However, Management did not provide a detailed explanation for the adjustment. In addition, the statement reflects capital fund balance of Kshs.82,783,309. Management did not provide details on the source of the capital fund.

In the circumstances, accuracy of net assets balance of Kshs.85,495,454 in the statement of changes in net assets could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.9,000,000 and Kshs.8,585,507 respectively, resulting in an under-collection of Kshs.414,493 or 5% of the budget. Similarly, the College spent an amount of Kshs.4,016,310 against realized revenue of Kshs.8,585,507, resulting in an under-utilization of Kshs.4,569,197 or 53% of the available funds.

In addition, the provision of Kshs.2,000,000 for revenue from rendering services which includes fees payments was unrealistic. The provision was way below the expected revenue of Kshs.6,786,089 from one hundred and one (101) students already enrolled as at close of the previous financial year with an average fees per student was Kshs.67,189.

The revenue shortfall adversely affected the operations of the College, resulting in ineffective service delivery.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

1. Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements and Effectiveness of Internal Controls, Report of Lawfulness and Effectiveness in the Use of Public Resources and Risk Management and Governance, respectively. Review of the status during audit of the College in 2024/2025 revealed that the following eight (8) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Non-Collection of Student Fees
2	2023/2024	Unsupported Accounts Receivable
3	2023/2024	Unsupported Trade Payables
4	2023/2024	Unsupported Property, Plant and Equipment
5	2023/2024	Lack of Land Ownership Document
6	2023/2024	Late Submission of the Financial Statement
7	2023/2024	Lack of Internal Audit Function and Audit Committee
8	2023/2024	Lack of Risk Management Policy and Strategy

2. Inadequate Disclosure and Measurability in the Statement of Performance Against Predetermined Objectives

The statement of performance against predetermined objectives reflects a key program/pillar drawn from the mandate of the College. The statement further highlights the objectives, outcomes, indicators and performance under the program, However, the outcomes and performances achieved were not stated in specific and measurable terms making it impossible to establish any performance deviations.

Further, the performance achieved was not disclosed in a manner that can be objectivity measured through the actual performance outcomes

Other Information

The Management is responsible for the Other Information set out on page iii to xx which comprise of Key Entity Information and Management, the Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement,

Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and the 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 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 and I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Financial Reporting Template

The Institute of Certified Public Accountants of Kenya (ICPAK) membership number for the accountant who signed the financial statements was not disclosed. This was contrary to the requirement of the Annual Financial Reporting Template issued by the Public Sector Accounting Standards Board that requires disclosure of ICPAK membership number of the Head of Finance who signs the financial statements.

In the circumstances, the financial statements were not fully compliant with the Annual Financial Reporting Template.

2. Failure to Settle Trade Payables as a First Charge

The statement of financial position reflects trade and other payables balance of Kshs.4,858,620 as disclosed in Note 16 to the financial statements. Included in the balance is Kshs.157,100 in respect of trade payables that were outstanding for over one (1) year. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which provides that debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure

this is done to the extent possible that the Government does not default on debt obligations. Further, ageing analysis of the payables was not included in the notes to the financial statements as required.

In the circumstances, Management breached the law.

3. Irregular Use of Cash to Procure Goods, Works and Services

During the year under review, Management procured goods and services totalling to Kshs.1,915,050 through cash. This was contrary to the threshold matrix in the Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020 which sets a limit of Kshs.50,000 on procurement of goods and services using cash.

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

4. Failure to Prepare a Procurement Plan

During the year under review, the College did not have a procurement plan. This was contrary to Regulations 40(1) of the Public Procurement Asset Disposal Regulations, 2020 which provides that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

In the circumstance, Management breached the law.

5. Unsupported Procurement of Goods and Services

The statement of financial performance reflects use of goods and services expenditure of Kshs.3,057,310 as disclosed in Note 9 to the financial statements. Included in the expenditure is Kshs.2,114,850 in relation to administrative costs. Review of the payment vouchers and relevant documents revealed that expenditure totalling Kshs.722,150 was not supported with professional opinion from the head of supply chain management, copies of quotations, tender opening minutes, award letters, and regret letters to unsuccessful bidders. In addition, Management did not provide inspection and acceptance report to confirm that the procured goods and services met the required quality and quantity.

Further, Management did not maintain a list of registered suppliers for the financial year under review and stores records to confirm goods were taken on charge.

In the circumstances, it was not possible to confirm whether the goods were procured in compliance with the relevant provisions of the Public Procurement and Asset Disposal Act, 2015.

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

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

During the year under review, the College did not have an internal audit function to perform risk assessment processes and evaluate operational effectiveness through in-depth reviews of management operations and internal controls in the College contrary to the requirement of Section 73(1)(a) of the Public Finance Management Act, 2012 which states that every National Government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, the existence of effective mechanisms and processes for review and evaluation of budgetary performance, financial management, transparency and accountability in the Municipality could not be confirmed.

2. Lack of Internal Audit Committee

During the year under review, the College did not have an audit committee. This was contrary to Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that each National Government entity shall have an audit committee.

In the circumstances, the effectiveness of oversight at the College could not be confirmed.

3. Weak Controls in Revenue Management

The College did not have an accounting system in place to record student fee balances and invoices. As a result, it was not possible to verify the existence of outstanding fee arrears or prepayments.

In the circumstances, the effectiveness of internal controls on revenue management could not be confirmed.

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

Responsibilities of the Management and Board of Governance

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

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

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

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

The Board of Governance 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

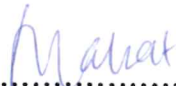

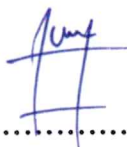
21 November, 2025

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

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	7,824,827	2,000,000
Revenue from Exchange transactions			
Rendering of services- fees from students CDF and Wajir county government bursary	7	454,000	86,000
Other Income	8	306,680	-
Revenue from Exchange transactions		760,680	86,000
Total Revenue		8,585,507	2,086,000
Expenses			
Use of goods and services	9	3,057,310	1,202,940
Employee costs	10	852,000	998,000
Board /Council Expenses	11	107,000	179,000
Depreciation and amortization expense	12	1,338,132	0
Total Expenses		5,354,442	2,379,940
Other Gains/(Losses)			
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		3,231,065	- 293,940

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

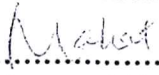
		
.....
Chairman of Council/Board	Principal	Finance Officer
		ICPAK No
Date	Date	Date
18-11-2025	18-11-2025	18-11-2025

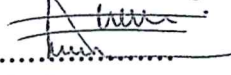
TARBAJ TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Notes	2024-2025	2023-2024
		Kshs	
Assets			
Current Assets			
Cash and cash equivalents	13	4,614,460	49,850
Current portion of receivables from exchange transactions	14(a)	6,492,034	4,568,852
Receivables from non-exchange transactions			
Inventories		-	-
Total Current Assets		11,106,494	4,618,702
Non-Current Assets			
Long-term receivables from exchange transactions	14(b)	4,482,852	2,223,615
Property, plant, and equipment	15	74,764,728	76,112,860
Total Non-Current Assets		79,247,580	78,464,475
Total Assets		90,354,074	83,083,177
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	16	4,858,620	517,800
Total Current Liabilities		4,858,620	517,800
Non-Current Liabilities			
Total non-current liabilities		0	65,200
Total Liabilities		4,858,620	583,000
Net Assets		85,495,454	
Represented By:			
Accumulated Surplus		2,712,145	82,500,177
Capital Fund		82,782,132	82,500,177
Total Net Assets and Liabilities		85,495,454	83,083,177

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


.....
Chairman of Council/Board


.....
Principal


.....
Finance Officer
ICPAK No

Date
18-11-2025

Date
18-11-2025

Date
18-11-2025

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

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
On July 1, 2024	-	(518,920)	82,500,177	81,981,257
Revaluation gain	-		-	-
Surplus/(deficit) for the year	-	3,231,065	-	3,231,065
Capital grants received during the year	-		-	-
Retained earnings-Prior year adjustments			283,132	283,132
On June 30, 2025	-	2,712,145	82,783,309	85,495,454

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

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

Description		2024-2025	2023-2024
	Note	Kshs	
Cashflows from operating activities			
Receipts			
Transfers from other National Government entities	6	7,824,827	2,000,000
Grants from donors and development partners		-	
Transfers from other levels of government		-	
Public contributions and donations		-	
Rendering of services- fees from students	7	760,680	86,000
Total Receipts		8,585,507	2,086,000
Payments			
Use of goods and services	8	3,061,897	990,740
Employee costs	9	852,000	703,000
Board /Council Expenses	10	107,000	179,000
Total Payments		4,020,897	1,872,740
Cash Flows from operating activities		4,564,610	213,260
Cash flow from working Capital changes			
Net Cash Flows from operating activities		4,564,610	
Cash flows from investing activities			
Purchase of PPEs		0	
Net cash flows used in investing activities		0	
Cashflows from financing activities		0	
Capital fund changes			
Net cash flows used in financing activities		0	
Net Increase/(Decrease)in Cash and Cash equivalents		4,564,610	15,260
Cash and Cash Equivalents at 1 JULY 2024		49,850	34,590
CashandCashequivalentsat30 JUNE 2025	13	4,614,460	49,850

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

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

Description	Original budget	Adjustment	Final Budget	Actuals	Performance difference	Variance or Difference
Revenue	Kshs			Kshs	Kshs	%
Transfers from other National Government entities	7,000,000	-	7,000,000	7,824,827	824,827	-12%
Rendering of services- fees from students (34*67,189)	2,000,000		2,000,000	760,680	1,239,320	62%
Total Income	9,000,000	-	9,000,000	8,585,507	414,493	
Expenses						
Use of goods and services	5,500,000		5,500,000	3,057,310	,235,354	-41%
Employee costs	2,000,000		2,000,000	852,000	1,148,000	57%
Board /Council Expenses	200,000		200,000	107,000	93,000	47%
Repairs and maintenance	1,300,000		1,300,000	-	1,300,000	100%
Total expenditure	9,000,000	-	9,000,000	4,016,310	305,647	
Surplus/ (Deficit)	-	-	-	4,569,197	108,847	

Budget notes

- **Over budgeting of receipts from transfers from other government entities/government grants-** According to paragraph 43 of the public financial management (National Government) regulations, 2015, the accounting officer must exercise adequate and realistic budgetary controls. Based on the above observations, the college had budgeted to collect 2,000,000 transfers from other government entities during the year under audit and ended up collecting kshs760, 680. In TVET institutions, due to budget constraints. Similarly, the prevailing poor economic conditions in the country also affected the student payment fees and their poverty level, enrolment in the COLLEGE thus unable to achieve the budgeted receipts from government.
- **Expenditure on Repairs & Maintenance is over budget.** According to paragraph 43 of the public financial management (National Government) regulations, 2015, the accounting officer must exercise budgetary controls. During the financial year under audit, the management of the COLLEGE had a budget for repairs & maintenance expenses. The college is new and needed less or no repairs at its initial stages of operations. Similarly, budget constraints also prevented the management from avoiding the expenditure on repairs since the college failed to realise the budgeted revenue for the period under audit.

TARBAJ 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

Tarbaj technical and vocational college was established by and derives its authority and accountability from TVET Act No. 29 of 2013. It is under the Ministry of Education, State Department of Technical and Vocational Training. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to provide technical and vocational education and entrepreneurship training geared towards self-reliance to meet the needs of the labour market.

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. Preparing financial statements conforming with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. Management must also exercise judgment when applying the college's accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, the college's functional and reporting currency.

The financial statements have been prepared in accordance with the PFM Act No.18 of 24 July 2012, the State Corporations Act, the TVET Act 2013, and International Public Sector Accounting Standards (IPSAS). The Institution adopted IPSAS in 2019 following elevation into a SAGA. The accounting policies adopted have been consistently applied throughout the years presented.

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for reporting financial assets and liabilities that will present relevant and useful information to financial statement users to assess the amounts, timing, and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29 by: <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that applies to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in the scope of the guidance. The model develops a strong link between an Entity's risk

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

Standard	Effective date and impact:
	<p>management strategies and the accounting treatment for instruments held as part of the risk management strategy. Tarbaj technical and vocational college <i>did not apply this standard when preparing the accounts under review.</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023 This Standard aims to improve the relevance, faithful representativeness, and comparability of the information 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> <p>(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 on the Entity’s financial performance, financial position, and cash flows.</p> <p>Tarbaj technical and vocational college did not apply this standard when preparing the accounts under review.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>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 should be made to update the guidance for accounting for financial guaranteed contracts, which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33 were made to update the guidance on classifying financial instruments on the initial adoption of accrual-basis IPSAS, which was inadvertently omitted when IPSAS 41 was issued.</p> <p>Tarbaj technical and vocational college did not apply this standard when preparing the accounts under review</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now, delete the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. This standard is no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41, which is applicable from 1 January 2023.

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

Standard	Effective date and impact:
	Tarbaj technical and vocational college did not apply this standard when preparing the accounts under review.

ii. New and amended standards and interpretations are issued but ineffective in the year ending 30 June 2023.

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard outlines the principles for recognizing, measuring, presenting, and disclosing leases. The objective is to ensure that lessees and lessors provide relevant information that faithfully represents those transactions. This information gives a basis for users of financial statements to assess leases' effect on an entity's financial position, financial performance, and cash flows. The new standard requires entities to recognise, measure, and present information on right-of-use assets and lease liabilities.</p> <p>Tarbaj technical and vocational college did not apply this standard when preparing the accounts under review.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale are to be presented separately in the statement of financial position, and the results of discontinued operations are to be presented separately in the statement of financial performance.</p> <p>Tarbaj technical and vocational college did not apply this standard when preparing the accounts under review</p>

iii. Early adoption of standards

Tarbaj technical and vocational college did not adopt any new or amended standards early in 2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering services by reference to the completion stage when the transaction's outcome can be estimated reliably. The completion stage is measured by reference to labour hours incurred 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 the economic benefits or service potential associated with the transaction will probably flow to the entity.

Interest income

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

Rental income

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

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

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

b) Budget information

The Council or Board approved the original budget for FY 2023/2024. Subsequent revisions or additional appropriations were not made to the approved budget by specific approvals from the appropriate authorities. Upon receiving the respective approvals to conclude the final budget, the entity does not add the appropriations to the original budget. Accordingly, the entity recorded declined appropriations on the FY 2023/2024 budget following the Council/ Board's approval. The entity's budget differs from the income and expenditure disclosed in the financial statements. The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance. In contrast, the budget is prepared on a 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 to present the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis, including in the comparison of budget and actual amounts and the actuals as per the statement of financial performance, has been presented on page 7 under section 17 of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per First Schedule *Section 10 subsection (a) and (b)* of the 2010 *Income Tax Act*

Sales tax/ Value Added Tax

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

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

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 when cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. An investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *After initial recognition, investment properties are measured using the cost model. They are depreciated over 50 years, or the investment property is measured at fair value with gains and losses recognised through surplus or deficit (entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the asset's carrying amount is recognized in the surplus or deficit during de-recognition. Transfers are made to or from investment property only when a use change occurs.

e) Property, plant, and equipment

All property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant, and equipment must be replaced at intervals, the entity recognizes them 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. When an asset is acquired in a non-exchange transaction for nil or nominal consideration, it is initially measured at its fair value.

f) Leases

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 exchange date. Following initial recognition, intangible assets are carried at a cost less than accumulated amortization and impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized, and expenditure is reflected in surplus or deficit when 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) Research and development costs

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

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- It intends to complete it and can 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 reliably measure expenditure during development.

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

i) Financial instruments

IPSAS 41 addresses the classification, measurement, and de-recognition of financial assets and financial liabilities and introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity has no hedge relationships, so the new hedge accounting rules do not impact the Company's financial statements. (amend as appropriate).* A financial instrument is any contract that gives rise to one entity's financial asset and another's financial liability or equity instrument. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit. These transaction costs are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for the collection of contractual cash flows, where those cash flows represent solely payments of principal and interest and 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 the 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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 solely through the sale of the assets would result in a fair value through a 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 of doubtful receivables is made based on a review of all outstanding amounts at the end of the year.

Financial liabilities

Classification

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

j) 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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

k) Provisions

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

Contingent liabilities

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

Contingent assets

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

l) 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 needs of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme while at the same time recognizing a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

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

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors or from the reporting of creditors at rates different from those at which they were initially recorded during the period are recognized as income or expenses in the period in which they arise.

q) Borrowing costs

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

r) Related parties

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

Notes to the Financial Statements (Continued)

TARBAJ TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025
Summary of Significant Accounting Policies (Continued)

s) Service concession arrangements

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

t) Cash and cash equivalents

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

u) Comparative figures

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

v) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Entity'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 Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

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

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Annual Report and Financial Statements for the year ended 30th June 2025
Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants		
Operational Grant	7,824,827	2,000,000
Unconditional Development grants	-	-
Other Grants	-	-
Total unconditional Grants	7,824,827	2,000,000
Conditional Grants amortised/ recognised in revenue		
Total Government Grants and Subsidies	7,824,827	2,000,000

7. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees for KUCCPS sponsored (68*67,189)	454,000	4,568,852
Total Revenue from The Rendering of Services	454,000	4,568,852

8. Other Income

Description	2024-2025	2023-2024
	Kshs	Kshs
CDF and County bursary	306,680	86,000
Total Revenue from The Rendering of Services	306,680	86,000

9. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	ksh
Catering, conferences, and delegations	-	144,000
Travelling and accommodation	864,800	503,000
Bank Charges	6,260	-
Other administration costs	2,186,250	555,940
Total goods and services	3,057,310	1,202,940

10. Employee Costs

i) Employees costs incurred

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	852,000	998,000
Employee Costs	852,000	998,000

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11. Board/Council Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria		-
Directors Emoluments	-	
Other Allowances	-	
Other Board/Council Expenses	107,000	179,000
Total	107,000	179,000

12. Depreciation and Amortization expense

Description	2024-2025	2023-2025
	Kshs	Kshs
Property, plant and equipment	1,338,132	0
Intangible assets		0
Investment property carried at cost		0
Total depreciation and amortization	1,338,132	0

13. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	4,619,047	49,850
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Cash at hand)	-	-
Total Cash and Cash Equivalents	4,619,047	49,850

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
KCB-Operation account	1293057150	4,614,460	49,850
KCB-Development account	-	-	-
Total		4,614,460	49,850

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14. Receivables from Exchange transactions

14 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	ksh
Current Receivables		
Student Debtors	6,492,034	2,223,615
Rent Debtors (Hire of kitchen & dining hall)	-	
Consultancy Debtors	-	
Total Current Receivables	6,492,034	2,223,615

14(b) Long- term Receivables from Exchange transactions

Description	2024-2025	2023-2025
	Kshs	ksh
Non-Current Receivables		
Student debtors (35*67,189)-86,000	4,482,852	2,223,615
Advance Payments	-	
Public Organizations	-	
Less: Impairment Allowance	-	
Total	-	
Current Portion Transferred to Current Receivables	-	
Total Non-Current Receivables	-	
Total Receivables	4,482,852	2,223,615

TARBAJ TECHNICAL AND VOCATIONAL COLLEGE
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Notes to the Financial Statements (Continued)

15. Property, Plant, and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2%	12.50%	33.30%	
At 1 July 2023	18,750,000	56,077,860	1,000,000	65,000.00	75,892,860
Additions				210,000	210,000
At 30th June 2024	18,750,000	56,077,860	1,000,000	275,000	76,102,860
Additions	0	0	-	-	-
At 30th June 2025	18,750,000	56,077,860	1,000,000	275,000	76,102,860
Depreciation And Impairment					
Depreciation	-	1,121,557	125,000	91,575	1,338,132
At 30th Jun 2025	-	1,121,557	125,000	91,575	1,338,132
Net Book Values					
At 30th Jun 2025	18,750,000	54,956,303	875,000	183,425	74,764,728

Valuation

As per National Treasury guidelines, land and buildings were identified and valued according to the National Liabilities and Management Policy and guidelines (Issued June 2020).

13 (b) Property, Plant, and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	18,750,000	-	18,750,000
Total	18,750,000	-	18,750,000

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16. Trade and Other Payables

Description	2024-2025	2023-2024	
		Kshs	
Trade payables	4,858,620	583,000	
Fees paid in advance	-	-	
Salary deductions	-	-	
Third-Party Payments	-	-	
Other Payables	-	-	
Total Trade and Other Payables	4,858,620	583,000	
Ageing analysis:		Current FY	
Under one year		4,858,620	100%
1-2 years			
2-3 years		-	-
Over 3 years		-	-
Total (to tie to totals above)		4,858,620	100

17. Events After the Reporting Period

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

18. Ultimate And Holding Entity

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

19. Currency

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

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

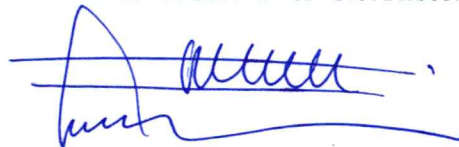
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
F/Y 2023/2024	Non-collection of student fees	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Unsupported account receivables	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Unsupported Trade Payables	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Unsupported property, plant and equipment	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Lack of land ownership documents	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Late submission of financial statements	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
F/Y 2023/2024	Lack of internal audit function and audit committee	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026
F/Y 2023/2024	Lack of risk management policy and strategy	Management agrees with the audit observations and we are working towards resolving them	Not resolved	30 April 2026

Guidance Notes:

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



.....
 Name **A OMAR SHEIKH**
 Accounting Officer
 (Enter title of Head of entity)
 Date

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

Appendix II- Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of education – state department for Technical, vocational and training.

Name of beneficiary entity: Tarbaj Technical and vocational college.

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June (Current FY)					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
		7,824,827	0	7,824,827	
Total		7,824,827	0	7,824,827	

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name A OMAR Sign [Signature] Date 9-8-2025