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ON

**KIBWEZI WEST TECHNICAL
AND VOCATIONAL COLLEGE**

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





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KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2025**

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

KWTVC	Kibwezi West Technical & Vocational College
FY	Financial Year
NG-CDF	National Government Constituency Development Fund
TVET	Technical Vocational Education and Training
TVETA	Technical Vocational Education and Training Authority
Fiduciary Management	Key management personnel who have financial responsibility in the entity
KNEC	Kenya National Examination Council
CDACC	Curriculum Development Assessment and Certification Council
PSC	Public Service Commission

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2. Key Entity Information and Management

(a) Background information

Kibwezi West TVC was incorporated/ established under the TVET Act 2013 Section 20(1) on 21/10/2020. The college is domiciled in Kenya. The institute is under the Ministry of Education, State Department of TVET. The College occupies a 38.3-acre or 15.5 H piece of land and is in a predominantly semi-arid region of Makueni County – South Eastern Kenya.

The College has six (6) academic/technical departments, namely Electrical Electronics, Building and Civil Engineering, Business Studies, Hospitality & Tourism management and Information and communication Technology department. The Institute offers a variety of courses to K.C.P.E and K.C.S.E graduates at Artisan, Craft, and Diploma levels. The courses offered are examined by KNEC, CDACC. Currently, the Institute has **16** PSC trainers and **19** BOG Trainers with student population of 701 students, who are either boarders or daily commuters.

The Institution is run on day-to-day basis by a Principal who is appointed by the CS, Ministry of Education under the State Department of Vocational and Technical Training. The College is managed by a Board of Governors (BOG), appointed by the Cabinet Secretary, Ministry of Education as stipulated by the TVET Act 2013. Responsibilities of the Board of Governors include recruitment of support staff, overseeing financial management, upholding of staff and student discipline, development and maintenance of infrastructure & other assets, and sourcing for finances financial resources.

(b) Principal Activities

The principal activity/mission of KIBWEZI WEST TVC is to provide quality training for the production of self driven craftsmen business and technical labour for the local and international market.

Our vision is to be Technical Centre of excellence in business and Technology for all sectors of the economy. Our mission is to provide quality training for the production of self-driven craftsmen, business and technical labour for the local and international market.

The core functions of Kibwezi West TVC include providing directly, or in collaboration with other institutions of higher learning, facilities for technical trainers in technological, professional, scientific education; conduct examinations for and grant such academic awards as provided under the polytechnics order.

(c) Key Management

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

- Board of Governors/ Council/ Management.
- Accounting officer/ Principal
- Management staff including;
- Deputy Principal Finance/Administration
- Deputy Principal academics
- Registrar
- Dean of Students
- Head of Finance.
- Heads of Departments

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Benson K. Mbeke
2.	Deputy principal Finance/Admin	Peter M. Kiveli
3	Deputy principal Academics	Juanita Mutuku
4	Registrar	Michael Muthembwa
5	Dean of students	Hellen Mutheu
6	Head of Finance	Isaac Murira

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

- Governance Initiatives:**
- Review and provide oversight on governance initiatives established by the BOG and maintained by the organization.
- Risk Management:**
- Review and provide oversight on the establishment, implementation, maintenance, and effectiveness of risk assessment, risk management, and risk reporting practices.
- Internal Control Framework:**
- Review and provide oversight on the organization's internal control framework. Keep informed on all significant matters arising from work performed by any governance, risk, and control assurance providers.
- Audit Activity:**
- Approve and periodically review the organizational audit policy. Review and approve an internal audit plan. The audit plan should be risk-based and supported by appropriate risk assessments.

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Follow Up On Management Action Plans:

- The audit committee shall review regular reports on implementation status of approved management action plans resulting from prior internal audit recommendations.

Financial Statements and Public Accountability Reporting:

- The audit committee shall review and provide advice to the BOG on the key financial management and performance reports and disclosures issued to the public.

Government Oversight Activities:

- The Government of Kenya's oversight role include provision of Grants for both Operations and Development as well as provision of the regulatory framework.

- The audit of the Instructional activities is undertaken by the Office of the Auditor General.

Finance and operations committee activities

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

Terms of Reference

The role of the Committee shall be to monitor the financial status of the Institute 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:

- To monitor and facilitate the implementation of the College's strategy with regard to financial matters.

- To receive reports from the Principal and the Finance Officer.

- To monitor implementation of the strategy for the College estate.

- To receive reports of the extent and condition of the College estate including the efficiency of space utilization, the consumption of energy and the adequacy of property insurance arrangements.

- To consider the adequacy of the College estate and proposals for its maintenance and development, including opportunities to dispose of and acquire new properties.

- To determine the fees and charges made for College services and facilities.

- To supervise the financial administration of the College and make recommendations to Board of Governors where appropriate.

- To supervise the arrangements for safeguarding the College's assets.

- To ensure the proper financial evaluation and control of projects.

- To supervise the arrangements for investing the College's funds, including monitoring the performance of investments.

- To ensure the appropriate exploitation of the College's intellectual property.

- To make recommendations to Board of Governors on the financing of projects.
- To supervise the effective and efficient procurement and use of resources in accordance with the objectives of the Institute.
- To supervise the College's purchasing procedures and practices.
- To submit an annual statement on its activities to Board of Governors.
- To keep under review the activities of the College's various departments.

Academic committee activities

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

- 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.
- To propose regulation for consideration by the Board regarding the eligibility of persons for admission to a course of study,
- To propose regulations for consideration by the Board regarding the standard of proficiency to be gained in each examination for a Diploma, certificate or other award.

- To approve programmes of study, regulate admission of persons to KIBWEZI WEST TVC and determine their continuation or discontinuation in such programmes.
- To determine the Academic policy of KIBWEZI WEST TVC and to advise the Board on the provision of facilities to carry out that policy,
- To direct and regulate the training and instruction within the College subject to the powers of the Board.

(f) Kibwezi West Technical and Vocational College Headquarters

P.O. Box 277
Nairobi – Mombasa Highway
MAKINDU, KENYA.

(g) Kibwezi West Technical and Vocational College Contacts

Mobile phone: (254) 780484873
(254) 768284046
E-mail: kibweziwesttvc@gmail.com
Website: [www: kibweziwesttvc.ac.ke](http://www.kibweziwesttvc.ac.ke)

(h) Kibwezi West Technical and Vocational College Bankers

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

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Other Commercial Banks

KCB Bank Kenya Limited,
P. O. Box 269-90300
Wote –Branch
Account No: 1279788674

(i) Independent Auditors




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

(j) Principal Legal Adviser





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

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3.The Board of Governors

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 MR. PETER MUTAVI	<p><u>Date of Birth</u> 1971</p> <p><u>Key Qualifications</u> Holds a Bachelor of science (Electrical & Electronics)</p> <p><u>Work experience- 5 years</u> Standard print manager-5yrs Consultant Engineer</p> <p><u>Responsibility.</u> Overall management of the board activities Chairperson of the BOG</p>
2.	 GICHURU MUTULILI	<p><u>Date of Birth -1966</u></p> <p><u>Qualifications</u> Bachelor of Education (Arts),and Masters in MIS</p> <p><u>Work experience - years</u> Education sector- County director</p> <p><u>Responsibility.</u> Represents permanent secretary</p>
3.	 BENSON K MBEKE	<p><u>Date of Birth -1965</u></p> <p><u>Qualifications</u> Masters in business administration</p> <p><u>Work experience -29 years</u> Deputy principal 2 ½ years PC regional coordinator (Rift valley) 9 years PC/ Strategic planning coordinator- 11 years HOD- 12 years DHOD- 8 years</p> <p><u>Responsibility.</u> In charge of the overall management of the college. PRINCIPAL/ SECRETARY BOG</p>


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4.	 CORNELIA LIKU	<p><u>Date of Birth -1972</u> Key Qualifications Holds a Bachelor of Science , University of Lesotho. <u>Work experience -22 Years</u> Lecturer -CUEA Head of Department. <u>Responsibility.</u> Member of the education committee</p>
5.	 ANN KARIUKI	<p><u>Date of Birth –1967</u> <u>Key Qualifications</u> Bachelor of Technology(Electrical &Engineering Technology) <u>Work experience – 5 Years</u> Consultant. <u>Responsibility.</u> Member of the risk and audit committee</p>
6.	 BENARD OBUYA	<p><u>Date of Birth – 1990</u> <u>Key Qualifications</u> Bachelor of Engineering industrial Textile Engineering. <u>Work experience –5 Years</u> Mechanical Engineer. <u>Responsibility.</u> Member of the finance committee</p>
7.	 DANSON RAYOLA	<p><u>Date of Birth – 1981</u> <u>Key Qualifications</u> Diploma in Law ,Kenya School of Law ,LLB(Hons),University of Nairobi Masters of laws LLM <u>Work experience -5 YEARS</u> Kenya associate Sumba &Mbogo advocates <u>Responsibility.</u> Member of the risk and audit committee</p>

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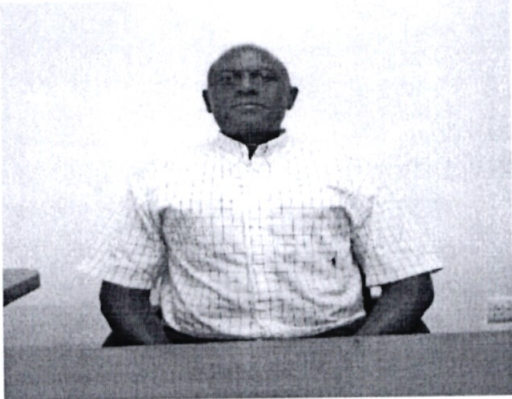

8.	 AMOS KAVITA	<p><u>Date of Birth</u> – 1987 <u>Key Qualifications</u> Bachelor of Electrical and Electronics engineering <u>Work experience -10 years</u> Electrical Engineer- Kenya power</p> <p><u>Responsibility.</u> Member of the finance and administration committee</p>
9.	 KIMANZI KYAMBO	<p><u>Date of Birth</u> 1/8/1968 <u>Key Qualifications</u> PHD UON- Strategic Information Systems MCS-Master of Computer Applications</p> <p><u>Work experience - 15 YEARS</u> Lecturer- Kisii University</p> <p><u>Responsibility.</u> Chairperson of the Risk and Audit committee</p>
10.	 LEAH OGESA	<p><u>Date of Birth</u> 17/11/1980</p> <p><u>Key Qualifications</u> MSc/BSc Finance and Accounting/ACCA</p> <p><u>Work experience -</u> 15 YEARS Lecturer-PAC University</p> <p><u>Responsibility.</u> Member of the Risk and Audit Committee</p>
11.	 ELIZABETH NDUNGE	<p><u>Date of Birth</u> 16/03/1985 <u>Key Qualifications</u> MBA</p> <p><u>Work experience</u> 18 YEARS County Executive Committee Member – County Government of Makueni</p> <p><u>Responsibility.</u> Member of the Finance committee and Governor Representative</p>

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12.	 <p>JOHN MUTUSE</p>	<p><u>Date of Birth</u> 15.7.1948</p> <p><u>Key Qualifications</u> Bachelor of Engineering Green which University</p> <p><u>Work experience</u> 53 YEARS Lecturer in Engineering – Various Colleges</p> <p><u>Responsibility.</u> Member of the Human Resource Committee</p>
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Note: The BOG membership comprised of members of the outgoing (retiring) members- Ann Kariuki, Danson Rayola and Amos Kavita and new members Kimanzi Kyambo, Leah Ogesa, Elizabeth Ndunge and John Mutuse. The transision took place during the year.

4. Key Management Team

SN.	Member/ Director	Details
1.	 BENSON K. MBEKE	<p><u>Date of Birth</u> -1965 <u>Qualifications</u> Masters in business administration <u>Work experience -29 years</u> Deputy principal 2 ½ years PC regional coordinator (Rift valley) 9 years PC/ Strategic planning coordinator- 11 years HOD-12 years DHOD- 8 years</p> <p><u>Responsibility.</u> In charge of the overall management of the college. PRINCIPAL/ SECRETARY BOG</p>
2.	 PETER KIVELI	<p><u>Date of birth:</u> 1967</p> <p><u>Qualifications:</u> PGDE – Post Graduate Dip in Education Bachelor of Arts Dip. In Information Communications technology</p> <p><u>Work experience :</u> 18 yrs as TVET Trainer 10 yrs as Head Of Department 3 yrs as Deputy Principal</p> <p><u>Responsibility:</u> Deputy principal administration</p>
3.	 JUANITA MWENDE	<p><u>Date of Birth</u> 23/04/1983</p> <p><u>Qualifications</u> PGTE-Post Graduate Dip. In Technical Education Higher Diploma in Computer Studies</p> <p><u>Work experience</u> 17 Years as TVET Trainer 3 Yrs as Deputy Principal</p> <p><u>Responsibility</u> Deputy Principal- Academic affairs</p>

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4.	 <p>MICHAEL MUTHEMBWA</p>	<p><u>Date of Birth</u> - 30-07-1978 <u>Qualifications</u> Bachelors of education in Technology(Electrical & electronics Eng) <u>Work experience</u> – 16 years as TVET Trainer <u>Responsibility.</u> Ag. Registrar</p>
5.	 <p>HELLEN MUTHEU</p>	<p><u>Date of Birth</u>-...1991 <u>Qualifications</u> Higher National Diploma in Building & Civil engineering <u>Work experience-4yrs</u> TVET Trainer <u>Responsibility.</u> Ag Dean of Students</p>
6.	 <p>ISAAC MURIRA</p>	<p><u>Date of birth</u> 29/09/1986 <u>Qualifications</u> CPA K Bachelor of Commerce- Finance ICPAK – Regn. No. 13854 <u>Work experience</u> 11 Years in finance and Accounting Responsibility Finance Officer</p>

5. Chairman's Statement

The office of the Chairperson of the board of governors of Kibwezi West Technical and Vocational College (KWTVC) has been active during the year under review in managing the affairs of the College. We reckon the existing challenges including the issues of inadequate learning facilities, fewer trainers and training resources. Despite all this, the College has been able to sustain a culture that associates technical training with modern life.

As a board, we have encouraged a change in the mindset of our people as we leveraged on the leaders to sensitize and educate our people to embrace the concept of technical and vocational training for our youth. The board has been and is committed to ensuring that the changing world around is sensitive to the needs of the future of our young men and women. We have continued to collaborate with a number of agencies both public and private sector in our Endeavour to grow the College. Particularly we have collaborated with the Kibwezi west constituency of Makueni on various academic and economic ventures. Our desire to achieve and deliver on our mandate has seen our drive in reaching out to each and every other partner willing to work with us.

Our mandate is to grow the student population through a number of strategies including effective outreach programs geared to popularize the College from within and around the County. During the year under review, the management has carried out an aggressive popularity campaign in Makueni County and its environs.

As a board, we endeavour to continually put in place governance systems to ensure that we not only comply with the PFM Act of 2012 but also engage in prudent leadership practices that creates value for the Kibwezi West Technical and Vocational College. Kibwezi West Technical and Vocational College has remained a good corporate citizen that meets its obligations for its staff and students as well as the national obligations.

The registered remarkable development which commensurate to its resources within one year since its inception .during the period under review in the realization of its mandate with financial support of the Ministry of Education, state department of Vocational and Technical Training in form of Grants and Student Capitation. As a result, the College has now been able to steer its progress through market research, linkages, collaboration and partnerships. We continue to register an overall improvement in our performance due to enhanced resources, physical facilities and infrastructure.

I wish on behalf of the board of governors to thank the State Department of Vocational and Technical Training, Ministry of education, the County Government of Makueni especially Kibwezi west constituency and all other development partners for the support they continue to accord the College without which our achievements would not have been realized. Finally I wish to appreciate my board members and the Kibwezi West TVC management staff for their efforts in supporting the realization of the College mandate.

PETER MUTAVI
Chairman of the Board of Governors

Sign:



Date: 17th November 2025

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6. Report of the Chief Principal

Pursuant to Section 83 of the Public Finance Management Act, 2012, I take this opportunity to present the College's Annual report and financial statements for the financial year 2024/2025. The report focuses on the Institute's Strategic intent as enshrined in the TVET act 2013 which include improvement of physical facilities and infrastructure, curriculum development, and advancement of TVET programs by promoting Research & Innovation, Partnership/ linkages and environmental management. Further to this the College envisages to strengthen its financial base through promotion of good governance and effective management.

The above strategic issues are part of broad initiatives undertaken by the institute's planning system in order to impart relevance to current the national TVET reforms. This defines the College's mandate aimed at enhancing quality, competitiveness, creativity and innovativeness in the TVET sector. The report is premised on involvement on account of analysis of goals, strategic issues, strategic objectives and activities that the Kibwezi West TVC envisages to pursue in the 2024/2025 Financial year. The mandate of the BOG among other things is to provide apex management towards achieving the institute mandate as per the TVET Act 2013.

To develop a College with excellence in teaching, training, entrepreneurship, research, consultancy, community service, among other educational services and products, Kibwezi West TVC envisages investing in all forms of curriculum development with emphasis on technology. The top management has embraced change by sensitizing the local populace to embrace the concept of technical and vocational training, particularly the youth. During the year under review, we committed to continue collaborating with a number of agencies both public and private sector in our endeavour to grow the College. Our desire to achieve and deliver on our mandate has seen our drive in reaching out to each and every other development partner desiring to work with us.

During the year under review, there was serious challenges of financial resources since the college missed fourth quarter operation grant and scholarship funds. HELB Disbursement for tuition loans was also delayed for a sizeable number of qualifying students. Besides, not all of our legible students -228, only 52 were awarded, leaving 176 out.

The institute was an active participant in Games and sports and during the year under review participated in games at the regional levels held at Katine TTI- Machakos where the team emerged overall winners. The team proceeded to the national level held at the Rift Valley IST, Nakuru. The institution managed to procure games kits for all participating teams.

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Challenges

The College emphasizes on the need for adequate staffing for the effective education in all departments. Majority of the departments do not have sufficient staff to handle the trainees. Shortage of trainers is therefore one of the challenges facing the College. In order to alleviate the shortage, the college has been hiring trainers on BOG terms to bridge the gap. The staff are paid by the college from its meagre resources. During the 2023/2024 financial year, the Institute maintained 20 trainers under the BOG contract but the number is likely to increase due to our increased programs.

Continuous dynamics in the ICT sector is inevitable where both upgrade and updates of website have been made. The college has since procured an MIS for efficient service delivery in the registry and finance departments.

Lack of training equipment and sufficient equipment has been a serious challenge making it difficult for the college to roll out new technical programs.

Water has been a challenge since the service provider Kibwezi Makindu Water & Sewerage Company pumps water to our college once a week which is too little compared to our demand. As a stop gap measure, the institution has renovated the underground water tank in the college for rain water harvesting.

BENSON K. MBEKE
Chief Principal/ Secretary, BOG

PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU



Date; 17th Nov. 2025

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7. Statement of Performance against Predetermined Objectives

Kibwezi West Technical and vocational College seven (7) strategic issues/pillars or thematic areas that it plans to lean on in pursuit of its strategic objectives within the current Strategic Plan for the financial year 2020/2021. The strategic pillars/Issues are as follows:

Thematic Area/Pillar 1. Physical Infrastructure, Facilities and the Environment.

Thematic Area/Pillar 2. ICT Integration

Thematic Area/Pillar 3. Linkages with other institutions.

Thematic Area/Pillar 4. Research and Development.

Thematic Area/Pillar 5. Marketing of the college.

Thematic Area/Pillar 6. Social Welfare.

Thematic Area/Pillar 7. Resource Mobilization.

The college has developed the following objectives under each of the pillars to be pursued as the basis for the realization of its goals;

Pillar 1. Objective- to improve/upgrade infrastructure and facilities.

Pillar 2. Objective - to establish and expand ICT systems for administration and training

Pillar 3. Objective- to promote linkages with other institutions (international, national county government and NGO institutions).

Pillar 4. Objective – to promote research and Development

Pillar 5. Objective – to install and continuously improve marketing of the college and its programs.

Pillar 6. Objective – to create a conducive working and learning environment and promote health and safety of staff, students and all other stakeholders.

Pillar 7. Objective - to strengthen the sourcing, application and of the financial status of the college.

Kibwezi West Technical and Vocational College develops its annual work plans based on the above seven pillars. Assessment of the board’s performance against its annual work plan is done on a quarterly basis. The college achieved its performance targets set for the Financial Year 2024/2025 period for its seven strategic pillars, as indicated in the diagram below;

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 1	Physical infrastructure, facilities and learning environment	To develop/improve infrastructure, facilities and learning environment	<ul style="list-style-type: none"> - Construction of additional classrooms - construction of building & civil workshop. - equipping of the food and beverage kitchen and restaurant. 	<ul style="list-style-type: none"> - Prefab/temporally classrooms done. - Building and civil engineering workshops 75% done. - equipping of FB, FD and automotive workshops done. - Water tank refurbished. - tilling done.

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			<ul style="list-style-type: none"> -equipping of the fashion design workshop - equipping of the automotive workshop. - refurbishing of the underground water tank done. - tilling of ICT and Electrical training workshops. 	
Pillar / theme / issue 2	ICT integration; Both for training & Delivery of services to clients.	To acquire and use modern ICT systems	<ul style="list-style-type: none"> -Purchase laptops - purchase printers and photocopiers - Server system purchase and installation. - internet installation - College management system software(MIS) 	<ul style="list-style-type: none"> -Internet was installed- Star Link. -MIS acquisition process started –its WIP and an advanced stage.
Pillar/theme/issue 3	Linkages with other institutions /organizations.	-To establish strong and working links with county national, government, international, and organizations.	<ul style="list-style-type: none"> - establish an MOU with the Senior Police training college at Emali for collaborative trining in F & B. -Establish an MOU with Chulu Driving School to offer driving lessons to college staff and students in collaboration. - Establish an MOU with KALRO – Kiboko for a partnership in agricultural training. - Establish a MOU with Miangeni Enterprises for training co-operation in building/civil, ICT 	<ul style="list-style-type: none"> MOUs established between the college and; -Senior police training college - Chulu Training School. MOUs at WIP stage; -KALRO -Miangeni enterprises.

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			FD, and procurement.	
Pillar/theme/issue 4	Research and Development.	-To promote research and development.	-allocate funds to research. -strengthen the research unit. -undertake training needs assessment -train staff in proposal writing and data analysis. -circulate proposal for possible funding	<ul style="list-style-type: none"> • None undertaken during the year.
Pillar/theme/issue 5	Marketing	To promote the college and its training programs so as to increase enrollment.	-undertake marketing activities including; - Distribution of brochures - carry out radio advertisements - conduct below the line marketing activities by holding public forums facilitated by public administrators	<p>- Distributed brochures during marketing events as follows; -August-2024- 2000pcs -November – 2024- 4000pcs April 2025 - 3000pcs</p> <p>-Three advertising radio advertisements were done as follows;</p> <ul style="list-style-type: none"> • August 2024 - 1 • January 2024- 1 • April 2025-1 <p>Meetings were carried out as follows;</p> <ul style="list-style-type: none"> • Sept. –Nov. 2024 -7 • Dec 2024 – 18 • April 2025- 11 <p>Output achieved;</p>

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				<ul style="list-style-type: none"> • Sept. 2024 intake – 139 students • Jan. 2025 intake – 121 students. • May2025 intake- 74 students • Total admissions334 trainees enrolled.
Pillar/theme/issue 6	Environment	To create a conducive working and learning environment through implementation of climate friendly interventions.	<ul style="list-style-type: none"> - Clearing of the thickets and grass within the compound. - Greening initiatives through tree planting. - Construct makuti shelters for outside resting benches. 	<ul style="list-style-type: none"> • Clearing done • Greening activities done and contibuing.
Pillar/theme/issue 7	Resource mobilization	-To strengthen the financial and other resources status of the college.	<ul style="list-style-type: none"> • Develop and promote production units to contribute in income generation. • Engage with the NGCDFs to lobby for increased sponsorships to students. • Engage with the county movement ward bursary 	<ul style="list-style-type: none"> • Food & B and Hair dressing and beauty sales achieved. • Received increased funding from NGCDFs & ward bursaries. • Entered into an income generating joint venture with Chulu driving School.

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			<p>funds to consider more students for bursary allocations.</p> <ul style="list-style-type: none">• Enter into partnerships that result into income generation.• Promote special groups training opportunities.	
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8. Corporate Governance Statement

The Kibwezi West Technical and Vocational College affirms that good corporate governance is simply good business. The College commits to ensure that there is compliance with the statutory and all the legal requirements as well as meeting the set deadlines.

i. Appointment of BOG Members.

The Cabinet Secretary, MOE appoints members of the Board following recommendations from the B.O.G nominating committee. The board consists of nine members. The Board of Governors for Kibwezi west Technical and Vocational College serves for three years. The Board may set up sub-committees and assign them responsibilities as it may deem fit.

As stipulated by the Ministry of Education through the TVET Act (January, 2013), responsibilities of the Board of Governors include recruitment of support staff, overseeing financial management, upholding of staff and student discipline, maintenance of infrastructure & other assets, and sourcing for finances. The college has in place the board Charter.

ii. Major roles and Functions of 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 in accordance with 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 in accordance with 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 in accordance with the guidelines developed under the provisions TVET Act; 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;

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- k) Approving collaboration or association with other institutions and industries in and outside Kenya;
- l) 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 submits 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
- r) Discharging all other functions conferred upon it by this Act or any other written law.

iii. Board remuneration.

The College pays allowances to board members to cater for their transport and sitting allowances.

iv. Induction, Training and Development.

During the year under review, FY 2024/2025, a transition took place with the term of the old board coming to an end on the 20th July 2024 and the new board being inauograted in the month of April 2025. Effectively therefore there was no board induction, Training and Development programs undertaken during the year.

v. Meetings.

- a. Full Board Meetings - are held once every term, but if there is an urgent need, a meeting can be convened.
- b. Board Committee Meetings, or working committees are held once every term.
- c. During the year under review, the outgoing board only held two meetings, namely one Finance committee Meeting and one full board meetteing before their term ended.
- d. For the new board, Three meetings were held during the year under review namely One inauguration full board meeting and one each for the finance and Human resource committes respectively.

e. Attendance:

For each of the meetings in (c) and (d) above, attendance was 100% as expected and respective attendance list were signed and documented.

vi. Board of Governors Allowances

The institute gives cash allowances to board members to cater for their transport and sitting allowances.

vii. Number of Board meetings held and the attendance to those meetings by members

- c. Full Board Meetings - are held Once Every Term
- d. Board Committee Meetings- Once Every Term
- e. Executive Board Meeting- Once Every Term.

At Kibwezi West Technical and Vocational College, governance remains a cornerstone in promoting accountability, efficiency, and transparency in the management of institutional affairs. The College is committed to upholding high standards of leadership and integrity through well-defined frameworks and policies that guide its operations.

viii. Succession Plan

Kibwezi West TVC has developed a structured succession plan to ensure continuity in leadership and operational functions. The plan identifies critical roles and outlines strategies for capacity building and mentorship of junior staff to prepare them for future responsibilities. Through internal training, job rotation, and exposure to administrative duties, the College builds a pool of capable individuals ready to assume higher roles when vacancies arise. This proactive approach mitigates disruptions and promotes institutional stability.

ix. Policy to Manage Conflict of Interest

The College enforces a Conflict of Interest Policy that requires all staff, board members, and suppliers to declare any relationships or interests that may interfere with objectivity in decision-making. This policy is embedded in staff orientation and procurement procedures, ensuring that personal gain does not override institutional interests. Disclosure forms are submitted annually, and staff are encouraged to seek clarification in cases of uncertainty to preserve integrity in all transactions.

x. Ethics and Conduct

Kibwezi West TVC embraces a strong Code of Ethics and Conduct, guiding the behavior of staff, students, and stakeholders. The code emphasizes professionalism, respect, integrity, confidentiality, and service to the public. Disciplinary measures are clearly outlined in the Human Resource Manual and applied fairly. The College also sensitizes staff on ethical standards through continuous professional development and departmental briefings.

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xi. Governance Audit

To strengthen institutional performance and accountability, the College is working towards conducting periodic Governance Audits. These audits assess the compliance of the institution with legal frameworks, policy implementation, board effectiveness, and risk management. Findings from such audits inform improvement plans and strategic decisions aimed at reinforcing good governance.

xii. Communication Policy

A Communication Policy is in place to enhance both internal and external flow of information. Internally, communication is done through memos, emails, departmental meetings, and noticeboards, ensuring all staff are informed on policies, procedures, and developments. Externally, the College engages stakeholders through its website, social media platforms, community barazas, and official correspondence. The policy promotes clarity, transparency, and feedback loops for efficient service delivery.

xiii. Terms of Reference of Committees

The College operates several functional committees including Finance, Audit and Risk, Academic Board, and Disciplinary Committees. Each committee is guided by clearly defined Terms of Reference (ToR) outlining their mandate, membership, reporting procedures, and authority. This ensures role clarity, accountability, and effective execution of duties within each committee.

xiv. Policy on Related Party Transactions

Kibwezi West TVC has adopted a Policy on Related Party Transactions to ensure that all transactions involving persons or entities related to the College are conducted at arm's length and with full disclosure. Such transactions are subjected to scrutiny by the Finance Committee and must be disclosed in financial reports in accordance with public sector accounting standards. This prevents favoritism, promotes fairness, and safeguards public resources.

Through these governance initiatives, Kibwezi West TVC continues to demonstrate its commitment to transparency, ethical leadership, and efficient management—laying a strong foundation for sustained growth and quality technical education.

9. Management Discussion and Analysis

During the FY 2024 – 2025, the institutions' enrolment grew tremendously to 701 students against the projected 750 students and against the previous years' (2023 -2024) enrolment of 398 trainees. This increase was attributed to vigorous marketing activities which were carried out during the financial year under review.

(a) The increase in the number of students led to increase in revenues. During the financial year the institution realized Appropriation In Aid (AIA) totaling to Kshs **26,703,163.00** The amount was realized as follows:

- i) Rendering of services- fees from students amounting to **ksh 26,684,528.00**
- ii) Sale of tender documents and cafeteria sales amounting to **ksh 16,635.00**
- iii) Hire of facilities **ksh.2000.00**

Revenue from non-exchange transactions totaling to **ksh 1,000,000.00** comprising mainly of government capitation and recurrent grants.

During the year under review, the institution expenditures amounted to **ksh 22,270,241.00** where by **Use of goods and services** was the main expenditure vote head totaling to **ksh 14,330,369.00** **Employees** costs which comprised salaries, wages and the attendant statutory deductions cost the College **ksh 4,647,345.00**

At the end of the financial year 2024/2025 the College realized a surplus of **kshs. 5,432,922.00** The surplus amount was committed as a reserve to cater for BOG staff salaries and purchase of exam materials in the subsequent year.

At the end of the financial year, exchange receivables from rendering of services amounted to **ksh 12,592,610,00** and trade and other payables amounted to **ksh. 3,633,212.00**

(b) College compliance with statutory requirements.

Kibwezi West Tvc has registered with the following government agencies: NHIF, NSSF, SHA and KRA. The institute submits the relevant returns to the agencies on or before 9th of the following month or when they fall due.

(c) Major risks facing the entity.

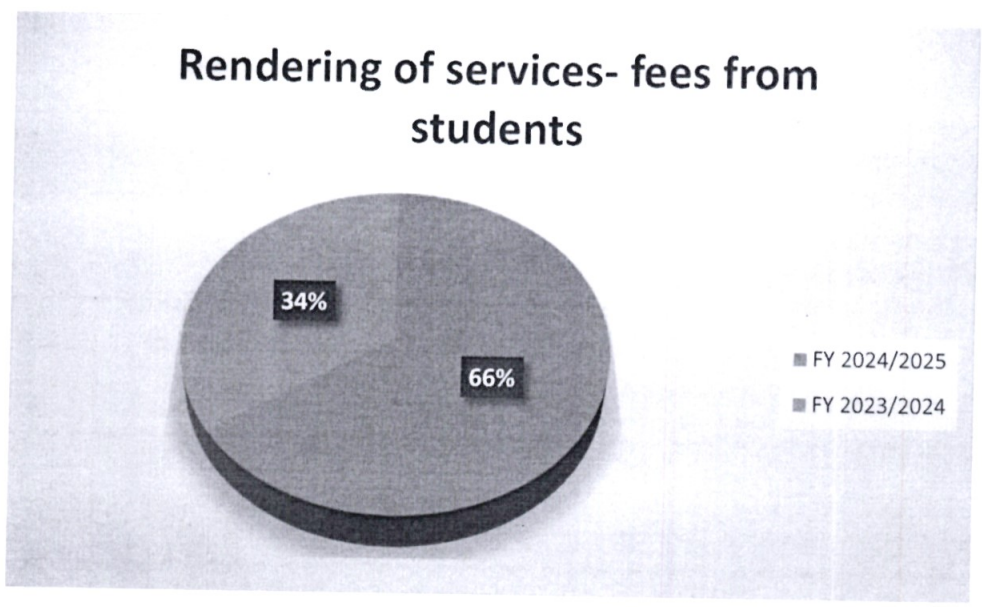
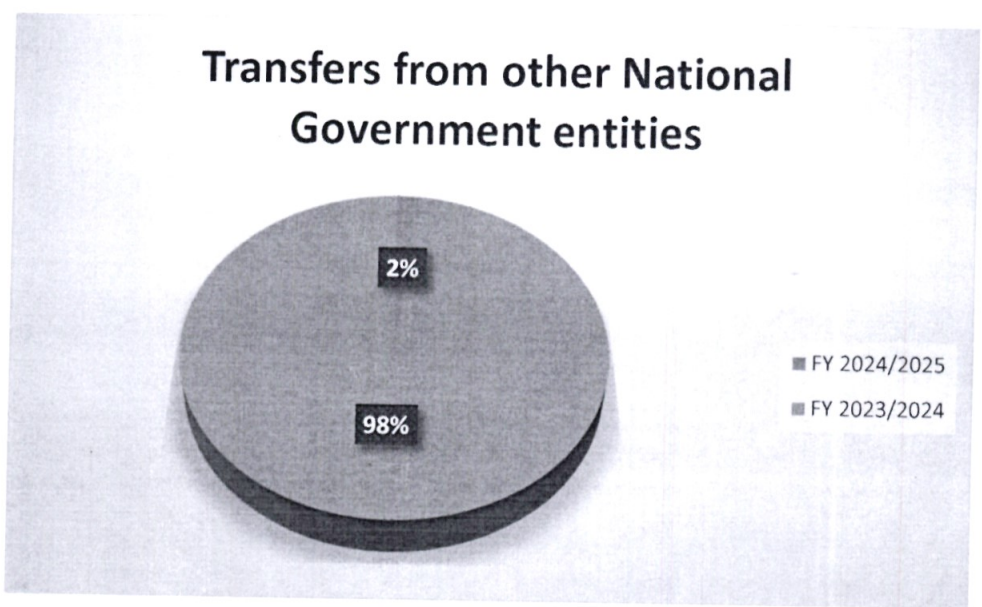
The following are some of the major problems that the institute has currently been facing:

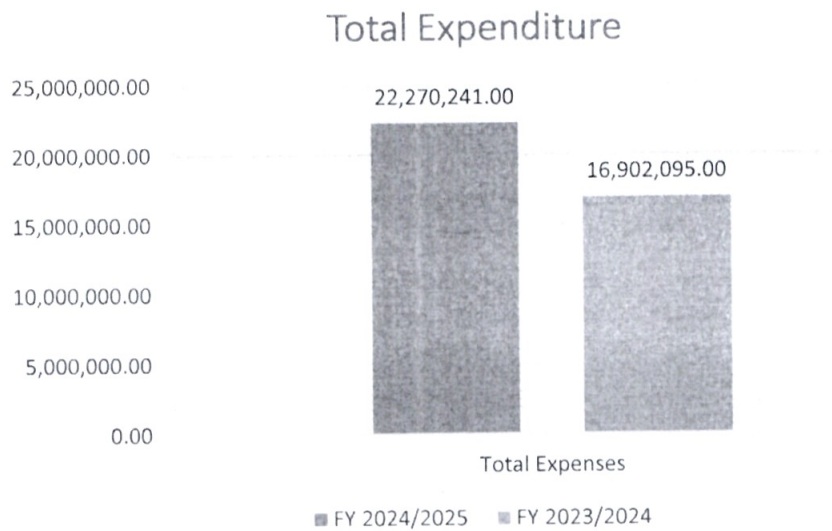
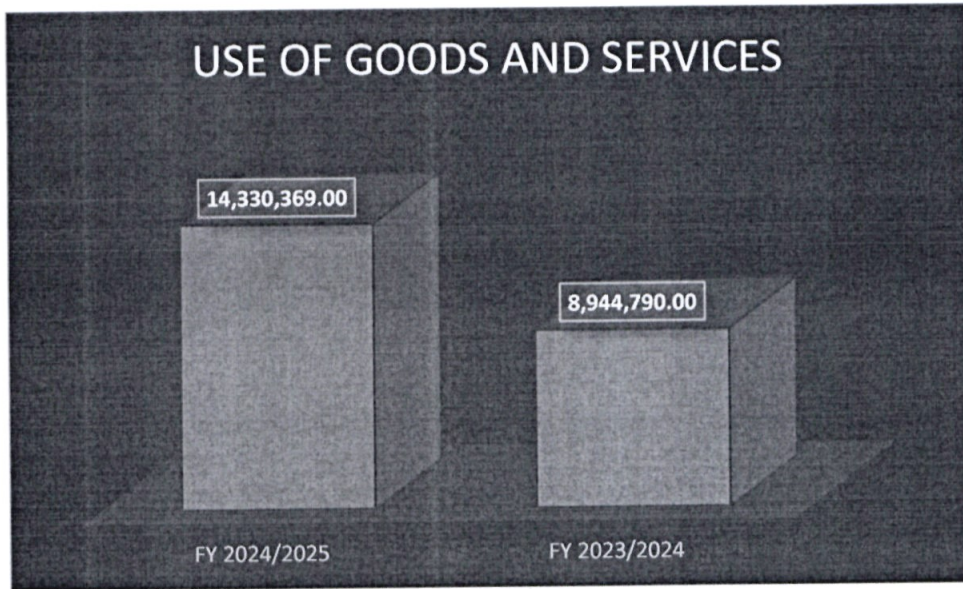
- Students uncertainty to their sustainability in the college
- In adequate training materials and equipment as the college
- Being occasioned by delayed disbursements of the government capitation.
-

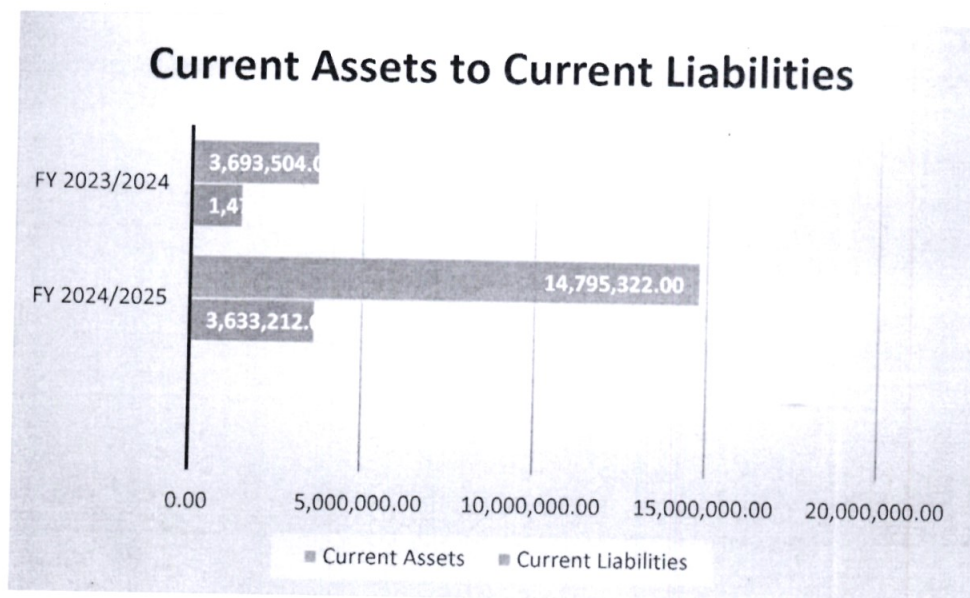
(d) Material arrears in statutory and financial obligations.

At the end of the financial year under review the institute had NIL pending bills as all outstanding bill were less than three months old and had no any arrears related to any compliance with the state regulations (in respect of statutory deductions).

Graphical Comparative Report – FY 2024 – 2025; 2023 - 2024







10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

Kibwezi West Technical and Vocational College is strategically placed along Nairobi-Mombasa highway opposite KMTC Makindu campus opposite Makindu Agricultural Show ground in Makueni County.

The Vocational Training Sub-sector, despite being a major producer of self & formal employment opportunities, has not been able to perform as anticipated due to a number of reasons. To address the above a normally the College wishes to put diverse efforts in place to make sure the College performs as mandated. One such effort is to develop a Sustainability Growth Plan (SGP). The main aim of the intervention is to map out a sustainable growth plan to increase access to diverse training opportunities and increase trainees' enrolment and retention to a realistic number of 1000 by the end of 2025.

Environmental performance

Land Issue

The entity has an issue of land 38.3 Acres/15.5 Ha which is not sufficient enough for any meaningful growth to cater for expansion and future development of the College. The land has got no Title Deed to prove ownership. The only land ownership document available is an Allotment Letter. The entity is committed to continuously pursue with the County Government to allocate more land by re-locating the showground to the County Headquarters.

The management has continued to invest in the improvement of the physical environment through the greening program. So far the the college has planted over 2,000 seedlings and plans are underway to plant 2,000 more towards the ultimate strategic target of 10,000 trees by the end of the FY 2026/2027.

The college has a waste management policy in which recycle materials are separated and set aside for collection by recycling firms. Biodegradable waste material is used to generate compost manures part which is used in the college farm and the rest donated to area residents. The institution being a technical training center is expected to have some electronic waste in the near future and is therefore in the process of developing a policy to handle e-waste.

Water

The entity is predominantly in an arid zone. In order to solve the problem of water shortage in the College, the entity resolved to collect all the rain water and increase water tanks from ONE to TEN and also to rehabilitate a water ground tank which was initially used by the contractor to collect more rain water. Progressively, the institution has a long term plan to drill a borehole to provide a permanent solution to the water problem

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Employee welfare

The college has in place a Human Resource Management policy which guides the hiring process, procedures, regulations and other administrative procedures relating to acquisition and disposal of human resources. Over the years, the Board of Governors (BOG) has continued to hire the services of teaching and non-teaching staff on permanent basis according to the College's needs and ability to pay salaries. Over the one year, the BOG staffs have continued to suffer poor remuneration due to inadequate resources. Keeping in view the increasing cost of living and the need to adhere to the statutory requirement to remunerate staff in line with the SRC guidelines, the BOG is committed to continually review salaries and allowances as the financial capability of the college improves.

The policy addresses other human resource issues such as;

- Ensure adherence to the Constitution as the supreme reference document and other government regulations.
- Ensure a common understanding by KWTVC Staff of stipulated standards and procedures in monitoring their performance for continued improvement.
- Achieve optimum utilization of staff's skills and talents, in enhancing career development.
- Creation of a conducive working environment, positive relations, parity treatment of all cadres of staff and work life balance.

As guided by the Constitution of Kenya, the ultimate objective of recruitment for the Board is to secure the highest standard of efficiency, competence and integrity without discrimination as to race, religion, colour, ethnic origin, political affiliation, sex or sexual orientation, pregnancy, marital status, disability, health or social status.

The authority to recruit and appoint the Board staff is vested on the Board and the recruitment is carried on a national competitive basis. Without prejudice to the recruitment of new staff at all levels, priority will be given to suitable employees. The Board commits to adhere to the equal opportunity principles. The Board believes that the diversity of staff contributes to its intellectual strength and effectiveness as an organization and therefore endeavor to operate an efficient system for distributing advertisements and position announcements to women and men nationwide, and to make selection of staff without discrimination. The Board offers a working environment which is sensitive to the needs of both male and female employees and recognizes the reward and recognition policy.

The entity has a strong policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

In line with national occupational health and safety requirements and global best practices, Kibwezi West Technical and Vocational College has proactively integrated Occupational Safety and Health (OSHA) principles into its core operations. This strategic move reflects the institution's commitment to providing a safe, healthy, and conducive environment for learning, teaching, and working.

Market place practices-

a) Responsible competition practice.

We build trust with all stakeholders by ensuring that ethical decision making guides responsible procurement day to day activities. The College will be advertising its annual tenders every two years through College website, social media platform, etc and ensures that the tendering process is run openly and fairly to select the best suitable vendors. Staffs are guided by the code of conduct and procurement ethics thus ensures no unwanted information lands to unintended user. Our clients are free to make inquiries and seek clarifications when need arises.

The College conduct due diligence on the vendors we engage with to avert the high risk of transacting with blacklisted companies.

The college has great record in managing good supplier relation. We give timely orders to avoid unnecessary rush and panic buying which brings about misunderstanding. Once deliveries are done, the payment process starts and payment is done on the stipulated times in our service charter. Our suppliers are accorded professional service to ease operations. There are regular meetings held do to supplier evaluation to ensure the best is achieved and in case of any challenges they are ironed out

The College applies ethical marketing in relations to standard of fairness or moral rights to what is of best interest to the college and its stakeholders. The management ensures good publicity with our clients occasionally through paid adverts in Posters and radios.

b) Responsible Supply chain and supplier relations

The organisation has in place a procurement office managed by a well qualified and competent officer who ensures that good business practices in procurement are upheld. In collaboration with finance, the officer ensures that suppliers are treated responsibly by giving all an equal chance of securing business in their competitive areas and honouring contracts, respecting payment practices and allowing competitive procurement of services.

C) Corporate Social Responsibility / Community Engagements

Kibwezi West Technical and Vocational College has positioned itself not only as a center of technical excellence but also as a responsible corporate citizen deeply committed to the development and well-being of the surrounding community. Guided by national values and principles of sustainable development, the college has integrated Corporate Social Responsibility (CSR) into its operations as a way of giving back and fostering inclusive growth. The college has in place a detailed CSR Policy that covers the following issues;-

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

1. Environmental Stewardship and Climate Action
2. Skills Outreach to the Community
3. Community Engagement and Sensitization
4. Health and Wellness Campaigns
5. Promoting Local Procurement and Economic Empowerment
6. Hosting and Supporting Community Events
7. Student-Led Volunteerism and Community Service

11. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Kibwezi West Technical and vocational college's affairs.

Principal activities

The principal activities of the Kibwezi West Technical and Vocational College continue to be the provision of Technical Training with a view to imparting practical skills in Technical and Vocational fields.

Results

The results of the Kibwezi West and Vocational College for the year ended June 30 2025 are set out on pages 1 to 44.

Board of Governors

The members of the Board of governors who served during the year are shown on pages **viii, ix** and **x**. During the year 2024/2025, four director retired and four others were appointed with effect from **29th April 2025**.

Auditors

The Auditor General is responsible for the statutory audit of the Kibwezi West Technical and vocational College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or **any other** Certified Public Accountants nominated by the Auditor General to carry out the audit of the College for the year/period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

BENSON K. MBEKE

Chief Principal /Secretary of the Board of Governor

Date: 17th Nov. 2025

12. Statement of Board of Governors' Responsibilities

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

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

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

In preparing the financial statements, the Principal has assessed the KWTVC's ability to continue as a going concern. 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 Colleges financial statements were approved by the Board on **17/11/2025** and signed on its behalf by:



PETER MUTAVI
Chairperson of the Board



BENSON K. MBEKE
Chief Principal/Secretary of the Board of Governors

REPUBLIC OF KENYA

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NAIROBI

Enhancing Accountability

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kibwezi West Technical and Vocational College set out on pages 1 to 36, 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

Report of the Auditor-General on Kibwezi West Technical and Vocational College for the year ended 30 June, 2025

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kibwezi West 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. Unconfirmed Property, Plant and Equipment

The statement of financial position reflects a balance of Kshs.54,739,450 in respect to property, plant and equipment as disclosed in Note 19 to the financial statements. However, review of the supporting documents revealed the following inadequacies;

- i. Property, plant and equipment balance exclude undetermined value of the College land (measuring approximately 15 acres) that is yet to be hived from the larger County Government land.
- ii. Chapter 7 of the College's Finance Policy and Procedure Manual requires depreciation charge of 5% and 10% for furniture and fitting and computers respectively with no depreciation charge for workshop tools. However, Management applied rates of 12,5%, 30% and 12.5% for furniture and fitting, computers and workshop tools respectively contrary to the rates approved in the Policy Manual.
- iii. The assets register maintained does not include essential data such as assets identification number, date of acquisition, cost of assets, annual depreciation, accumulated depreciation and net book values. In addition, the register had not been updated to include additions for the year totaling Kshs.2,121,219.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.54,739,450 could not be confirmed.

2. Long Outstanding Trade Receivables

The statement of financial position and as disclosed in Note 18a to the financial statements reflect a balance of Kshs.12,592,610 in respect to current portion of receivables from exchange transactions relating to student debtors which have been outstanding for more than one (1) year. However, Management did not provide measures put in place to recover the long outstanding receivables.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions balance of Kshs.12,592,610 could not be confirmed.

3. Inaccuracies in the Statement of Financial Position

The statement of financial position reflects net assets of Kshs.65,913,470 which are represented by accumulated surplus of Kshs.7,611,410 and capital fund of Kshs.58,000,000 totalling Kshs.65,611,410 resulting to unreconciled variance of Kshs.302,060.

In the circumstances the accuracy of the statement of financial position could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.34,841,455 and Kshs.19,004,057 respectively resulting to under-funding of Kshs.15,837,398 or approximately 45% of the budget.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional 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

Unresolved Prior Year Audit Matters

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

	Financial Year	Audit Issue
1	2023.2024	Non-Valuation of Assets and Failure to Tag
2	2023/2024	Non-Compliance with Law on Ethnic composition

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing 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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. 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.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and the Board of Governors

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 Institute's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the College or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025

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

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

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	1,000,000.00	4,720,500.00
Total Revenue from Non- Exchange transactions		1,000,000.00	4,720,500.00
Revenue from Exchange transactions			
Rendering of services- fees from students	7	26,684,528.00	14,010,449.00
Sale of goods	8	16,635.00	58,080.00
Rental revenue from facilities	9	2,000.00	328,500.00
Revenue from Exchange transactions		26,703,163.00	14,397,029.00
Total Revenue		27,703,163.00	19,117,529.00
Expenses			
Use of goods and services	10	14,330,369.00	8,944,790.00
Employee costs	11	4,647,345.00	5,095,906.00
Board allowances/ Expenses	12	303,200.00	567,085.00
Depreciation and amortization expense	13	2,079,757.00	1,857,046.00
Repairs and maintenance	14	337,110.00	67,350.00
Contracted services	15	572,460.00	398,460.00
Finance costs	16	0.00	21,918.00
Total Expenses		22,270,241.00	16,952,555.00
Net surplus for the year		5,432,922.00	2,164,974.00

The Financial Statements set out on pages 1 to 4 were signed by:



Chairman of Council/Board
PETER MUTAVI

Date: 17th November 2025



Principal
BENSON K. MBEKE

Date: 17th November 2025



Finance Officer
ISAAC MURIRA ICPAK
No. 18616

Date: 17th November 2025

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

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

Description	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	2,202,622.00	1,720,635.00
Current portion of receivables from exchange transactions	18 a	12,592,610.00	1,972,869.00
Total Current Assets		14,795,232.00	3,693,504.00
Non-Current Assets			
Property, plant, and equipment	19	54,739,450.00	54,684,388.00
Intangible assets	20	12,000.00	25,600.00
Total Non-Current Assets		54,751,450.00	54,709,988.00
Total Assets (A)		69,546,682.00	58,403,492.00
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	21	3,633,212.00	1,472,020.00
Total Current Liabilities		3,633,212.00	1,472,020.00
Non-Current Liabilities		0.00	0.00
Total non-current liabilities		0.00	0.00
Total Liabilities (B)		3,633,212.00	1,472,020.00
Net Assets (A-B)		65,913,470.00	56,931,472.00
Represented By:			
Accumulated Surplus		7,611,410.00	3,965,972.00
Capital Fund		58,000,000.00	59,665,635.00
Net Assets		65,611,410.00	63,631,608.00

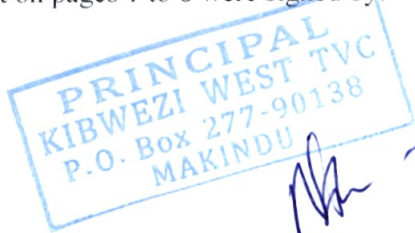
KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

The Financial Statements set out on pages 1 to 8 were signed by:



Chairman of Council/Board
PETER MUTAVI

Date: 17th November 2025



PRINCIPAL
KIBWEZI WEST TVC
P.O. Box 277-90138
MAKINDU

Principal
BENSON K. MBEKE

Date: 17th November 2025



Finance Officer
ISAAC MURIRA-
ICPAK No. 18616

Date: 17th Novmber 2025

KIDWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025
16. Statement of Changes in Net Asset for the Year Ended 30th June 2025

Description	Revaluation reserve Kshs.	Accumulated Fund Kshs.	Capital Grants/Fund Kshs.	Total Kshs.
At July 1, 2023	-	1,679,149.00	59,665,636.	61,344,785.00
Revaluation gain	0.00	-	-	-
Surplus for the year	-	2,164,974.00	-	2,164,974.00
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2024	-	3,844,123.00	59,665,635.00	63,509,758.00
At July 1, 2024	-	3,844,123.00	58,000,000.00	61,844,123.00
Revaluation gain/Adjustment for error on capital fund at 1/7/23	-	(1,665,635.00)	-	-
Surplus/(deficit) for the year	-	5,432,922.00	-	5,389,422.00
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2025	-	7,611,410.00	58,000,000.00	65,661,870.00

Note:

- Prior year adjustment of Kshs.1,665, 972.00 was done as write off from the capiatal fund as at 1/7/2023. This was an erroneous amount charged to the capial fund account which should have been instead written off against the accumulated reserves as at 30/6/2023.*

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

17. Statement of Cash Flows For The Year Ended 30th June 2025

Description	Note	2024/2025	2024/2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		1,000,000.00	4,720,500.00
Rendering of services-	7	17,985,422.00	14,081,538.00
Sale of goods	8	16,635.00	58,080.00
Rental revenue from facilities – Exam centre fees	9	2,000.00	328,500.00
Total Receipts		19,004,057.00	19,188,618.00
Payments			
Use of goods and services	10	11,129,719.00	8,944,790.00
Employee costs	11	4,214,783.00	5,095,906.00
Board Expenses	12	303,200.00	567,085.00
Repairs and maintenance	14	337,110.00	67,350.00
Contracted security services	15	572,460.00	348,000.00
Total Payments		16,557,272.00	15,023,131.00
Net Cash Flows from operating activities		2,446,785.00	4,165,487.00
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(2,139,969.00)	(101,600.00)
Proceeds from sale of property, plant and equipment		0.00	0.00
Net cash flows used in investing activities		(2,139,969.00)	(101,600.00)
Cash flows from financing activities			
Proceeds From Borrowing		0.00	0.00
Repayment Of Borrowings/ finance costs	16	0.00	(21,918.00)
Net cash flows used in financing activities		(0.00)	(21,918.00)
Net Increase/(Decrease) in Cash and Cash equivalents		306,816.00	4,041,969.00
Cash and Cash equivalents at 1 July 2025	26	1,720,635.00	1,329,478.00
Cash and Cash equivalents at 30 JUNE 2025	26	2,202,622.00	1,720,635.00

Note : 1. Cash outflows from use of goods and services is determined as follows: 14,330,369 – 3,200,650(trade and other payables after allowing for accrued employee costs-kshs. 432,562.00 = 11,129,719.00

2. Cashflows outflows from employee costs kshs. 467345-432,562 =4,214,783.00

3.

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Transfers from National Government entities	2,000,000	0.00	2,000,000	1,000,000	1,000,000.00	50.0%
Rendering of services- fees from students	23,768,585	7,100,000	30,868,585	17,985,422.00	12,883,163.00	58%
Sale of goods	0.00	0.00	0.00	16,635.00	(16,635.00)	0%
Rental revenue from facilities and equipment	0.00	0.00	0.00	2,000.00	(2,000.00)	0%
Total Receipts	27,741,455	7,100,000	34,841,455	19,004,057.00	15,837,398.00	55%
Payments						
Use of goods and services	14,334,000	4,582,100	18,916,100	11,129,719.00	7,786,381.00	59%
Employee costs	6,088,248	60,000	6,148,248	4,214,783.00	1,933,465.00	69%
Board Expenses	1,500,000	566,000.	2,066,000	303,200.00	1,762,800.00	15%
Repairs and maintenance	500,000	2,00,000	2,500,000	337,110.00	2,162,890.00	13%
Contracted services	0.00	711,000	711,000	572,460.00	138,540.00	81%
Finance costs	36,000.00	0.00	36,000.00	0.00	36,000.00	0.00
Total Recurrent Expenditure Payments	22,458,248	5,919,100	30,377,348	16,557,272.00	13,820,076.00	55%
Capital Expenditure Payments	5,000,000	4,061,000	9,061,000.00	2,139,969.00	6,921,031.00	24%
Total Payments	27,458,248	9,980,100	39,438,348	18,697,241.00	20,741,107.00	47%
Surplus/deficit				306,816.00		

Budget notes

IPSAS 24.14 Explanatory notes on the budget variances;

1. Transfer from government entities- refers to funds expected particularly from the MOE- State Department for TVET. The operation grant expected fell short of target by 50% meaning the third and fourth quarter amounts had not been received by the end of the FY 2024/2025.
2. The targeted amount of fees by students based on targeted enrollment was 58% falling short of target by 42%
3. We had not anticipated any additional income from cafeteria sales and facility rentals and hence the 0% result. Going forward, the budget will now be providing for the same since a trajectory has emerged indicating that these are now additional revenue streams.
4. Overall budget performance as gauged by the revenue percentage was 55% for the period.
5. Use of goods was 59% of the budget College during the year.
6. Repairs and Maintenance reported a higher percentage 13% of budget
7. Contracted security services were at 81% of the budget for the year.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	306,816.00
1	Opening cash and cash equivalents as per cash flows	1,720,635.00
2	Adjustment error – to be ascertained	175,171.00
	Closing Cash and Cash Equivalent as per the statement of Cash flows	2,202,622.00

Note: Item 2 in the table kshs. 175 171.00 represents a funds un-utilized funds but yet to be identified as the point of reporting.

KIBWEZI WEST 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

Kibwezi west TVC is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is Provision of Technical Training and Education.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Kibwezi west TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.

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

<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and</p>

KIBWEZI WEST TECHNICAL AND VOCATIONAL COLLEGE
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	cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

The Kibwezi West Technical Vocational College did not early – adopt any new or amended standards in the financial year.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on **17/11/2025**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the entity recorded additional appropriations of **kshs. 5,208,100.00** on the FY 2024/2025 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule 1st Schedule of the **Cap 470** Act.

Value Added Tax: 1st Schedule of the VAT act 2013

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

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

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

d) Investment property

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

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of

the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

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j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Kibwezi West Technical and Vocational College does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The Kibwezi West TVC does not create and maintain reserves in terms of specific requirements except in the case of the accumulated fund reserve, which is a general reserve.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

The *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 projected unit credit method basis. 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.

q) Foreign currency transactions

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

r) Borrowing costs

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

s) Related parties

The *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.

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t) Service concession arrangements

The Kibwezi West Technical and Vocational College analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Kibwezi West TVC 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 Kibwezi West Technical and Vocational College also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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

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6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Operational Grant	1,000,000.00	4,720,500.00
Total Government Grants and Subsidies	1,000,000.00	4,720,500.00

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year- 2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	1,000,000.00			1,000,000.00	4,720,500.00
Total	1,000,000.00			1,000,000.00	4,720,500.00

7. Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Total Fees	26,684,528.00	14,010,449.00
Total Revenue from The Rendering of Services	26,684,528.00	14,010,449.00

(This revenue is in respect of the students fees invoiced during the year for services rendered such as tuition, Activity fees industrial attachemntregistration and materials fees etc.)

8. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Cafeteria sales	16,635.00	2,080.00
Other sales- sale of tender documents	0.00	56,000.00
Total Revenue from Sale of Goods	16,635.00	58,080.00

Cafeteria sales refer to income generated by the Food and Beverage restaurant during students practicals.

9. Rental revenue from facilities and equipment

Description	2024/2025	2023/2024
	Kshs	Kshs
Hire of Facilities- Exam centre fees	2,000.00	328,500.00
Total	2,000.00	328,500.00

These revenues include examination centre fees charged to institutions booking their candidates sitting examinations in the college and hire of halls for trainings.

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10. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Teaching and Learning	5,109,799.00	1,506,161.00
Industrial attachment	94,184.00	149,578.00
Electricity, Water and conservancy	201,908.00	309,176.00
Management training and Audit	1,032,360.00	803,870.00
Subscriptions to KATTI	110,000.00	120,000.00
Marketing, Pr./advertising	832,210.00	541,440.00
KNEC/CDACC Examinations	3,270,045.00	1,521,780.00
Travel and accomodation	1,258,200.00	1,658,160.00
Licences and permits	46,000.00	87,000.00
Telephone and postages	67,235.00	100,905.00
Printing and Stationary	422,161.00	147,075.00
Skills development- G & sports	714,359.00	441,350.00
General adminstration expenses	738,912.92	988,795.00
Climate change -greening expenses	58,100.00	175,775.00
Audit and other professional consultancy services	0.00	320,000.00
Bank Charges	33,581.20	0.00
Staff Welfare	0.00	10,925.00
Students refunds/HELB	66,713.40	62,800.00
Internet Services	19,500.00	0.00
Staff advances	10,000.00	0.00
Performance contracting	245,100.00	0.00
Total good and services	14,330,369.00	8,944,790.00

11. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	4,485,640.00	4,416,754.00
Employee related costs - contributions to pensions and medical aids	161,705.00	679,152.00
Employee Costs	4,647,345.00	5,095,906.00

Note: The total amount of the employee costs comprises Gross Salaries and Wages (kshs. 4485,640 plus 50% of the college contribution to NSSF share. The SHA and KRA stipendaries kshs. 61,792.00 and 67,392.00 respectively, were added back to net pay to get the reported gross salaries and wages.

12. Board/Council Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Chairman's Honoraria	0.00	0.00
Directors Emoluments	265,000.00	567,085.00
Other Board Expenses	38,200.00	0.00
Total	303,200.00	567,085.00

13. Depreciation and Amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	2,066,157.00	1,843,446.00
Intangible assets	13,600.00	13600.00
Total depreciation and amortization	2,079,757.00	1,857,046.00

14. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Property	337,110.00	67,350.00
Total Repairs and Maintenance	337,110.00	67,350.00

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15. Contracted Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Security services- property	572,460.00	398,460.00
Total contracted services	572,460.00	398,460.00

16. Finance Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Bank charges & Commissions	0.00	21,918.00
Total Finance Costs	0.00	21,918.00

The 2023/2024 item under this heading was bank charges erroneously classified as a finance cost. The amount for the year 2024 - 2025 has been absorbed as a part of the cost of Use of Goods and services.

17. Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	2,202,622.00	1,720,635.00
Total Cash and Cash Equivalents	2,202,622.00	1,720,635.00

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

Financial Institution	Account number	2024/2025 Kshs	2023/2024 Kshs
a) Current Account			
Kenya Commercial Bank	1279788674	2,202,622.00	1,720,635.00
Grand Total		2,202,622.00	1,720,635.00

18. Receivables from Exchange transactions.

18 (a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	12,592,610,00	1,972,869.00
Total Current Receivables	12,592,610,00	1,972,869.00

18 (b) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	0.00	0.00%	0.00	%
Between 1- 2 years	11,592,610.00	84%	1,972,869.0	%
Between 2-3 years	1,000,000.00	16%	0.00	%
Over 3 years	0.00	0%	0.00	%
Total (a+b)	12,592,610.00	100 %	1,972,869.0	%

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19. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Workshop tools	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2.5%	12.5%	30%	2%	12.5%	
At 1 July 2023	0.00	59,127,702.00	1,299,831.00	631,986.00	0.00	0.00	61,059,519.00
Additions	0.00		66,600.00	13,847.00	35,000.00	0.00	115,447.00
Disposals	(0.00)	(0.00)	(0.00)	(0.00)	0.00	(0.00)	(0.00)
Transfers/Adjustments	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Revaluation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30th June 2024	0.00	59,127,702.00	1,366,431.00	645,833.00	35,000.00	0.00	61,174,966.00
Additions	0.00	537,160.00	360,200.00	214,424.00	250,000.00	759,435.00	2,121,219.00
Disposals	(0.00)	(0.00)	0.00	(0.00)	0.00	(0.00)	(0.00)
Transfer/Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revaluation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
At 30th June 2025	0.00	59,664,862.00	1,726,631.00	860,257.00	285,000.00	759,435.00	63,296,185.00
Depreciation And Impairment							
At 1 July 2023	-	(4,378,193.00)	(148,681.00)	(119,558.00)	0.00	(0.00)	(4,646,431.00)
Depreciation	-	(1,490,090.00)	(215,829.00)	(256,892.00)	(1,400.00)	(0.00)	(1,843,447.00)
Disposals	-	-	-	0.00	-	(0.00)	0.00
Impairment	-	-	-	(0.00)	-	(0.00)	(0.00)
At 30 Jun 2024		(5,856,385.00)	(319,485.00)	(313,308.00)	(1,400.00)	(0.00)	(6,490,578.00)
Depreciation	-	(1,491,621.55)	(215,829.00)	(258,077.00)	(5,700.00)	(94,929.00)	(2,066,157.00)
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
At 30th Jun 2025	-	(7,348,006.55)	(535,314.00)	(571,385.00)	(7,100.00)	(94,929.00)	(8,554,018.00)
Net Book Values							
At 30th Jun 2024	-	53,271,317.00	1,046,946.00	332,525.00	33,600.00	0.00	54,684,388.00

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Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Workshop tools	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30th Jun 2025	-	52,316,855.00	1,191,317.00	288,872.00	277,900.00	664,506.00	54,739,450.00

There was no WIP as at 30 June 2025

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Notes to the Financial Statements (Continued)

Valuation

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

19 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0.00	0.00	0.00
Buildings	59,664,862	(7,346,475.00)	52,316,855.00
Plant And Machinery	285,000.00	(7,100.00)	277,900.00
Computers and Related Equipment	860,257.00	(570,200.00)	288,872.00
Office Equipment, Furniture, And Fittings	1,726,631.00	(535,314.00)	1,191,317.00
Workshop tools	759,435.00	(94,929.00)	664,506.00
Total	63,296,185.00	(8,554,018.00)	54,739,450.00

20. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost	68,000.00	68,000.00
At beginning of the year	25,600.00	39,200.00
Additions	0.00	0.00
At end of the year	25,600.00	39,200.00
Additions–internal development	0.00	0.00
At end of the year	25,600.00	39,200.00
Amortization and impairment		
At beginning of the year	42,400.00	28,800.00
Amortization @ 20% of cost	13,600.00	13,600.00
At end of the year	56,000.00	42,400.00
Impairment loss	0.00	0.00
At end of the year	56,000.00	42,400.00
NBV	12,000.00	25,600.00

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21. Trade and other payables

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Current Payables				
Trade payables	2,401,388.00		1,472,020.00	
Other payables	799,262.00		0.00	
Total Current Payables	3,633,212.00		1,472,020.00	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	3,633,212.00	100%	1,472,020.00	100%
Total (to tie to totals above)	3,633,212.00	100%	1,472,020.00	100%

22. Cash generated from operations

	2024/2025		2023/2024	
	Kshs		Kshs	
Surplus for the year before tax	5,432,922.00		2,286,823.00	
Adjusted for:				
Depreciation	2,079,757.00		1,624,697.00	
Finance Cost	0.00		21,918.00	
Working Capital Adjustments				
Increase in Inventory	0.00		0.00	
Increase in Receivables	(10,619,343.00)		-1,170,745.00	
Increase in Deferred Income	0		0	
Increase in Payables	2,161,192.00		-2,501,417.00	
Increase in Payments received in advance	0.00		0	
Net Cash Flow from Operating Activities	(945,472.00)		261,276.00	

23. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Financial risk management (continued)

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

The Kibwezi West TVC has significant concentration of credit risk on amounts due from students as outstanding fees balances because of the slow or non remittance nature of capitation and scholarship funds which go into reduction of the fees balances.

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

(ii) Liquidity risk management

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

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

(iii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of

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financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

a) Foreign currency risk

The Kibwezi West TVC does not have transactional currency exposures as it does not purchase goods and services in foreign currencies. The risk analysis related to this therefore does not apply.

Foreign currency sensitivity analysis

This as in (a) above does not apply to the extend of the KWTVC context

b) Interest rate risk

The context of KWTVC is such that the institutions deposits are on a call basis in a current account. The funds therefore do not last long enough to experience the effect of this risk.

iv).Capital Risk Management

The context of KWTVC is such that the institution is a wholly government of Kenya owned organization (100%). As such, the capital gearing ratio is 0 thereby meaning that the institution enjoys risk free capital risk.

24. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) None other

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Transactions with Related Parties		
Total		
a) Key Management Compensation		
Directors' emoluments	303,200.00	567,085.00
Compensation to Key Management	0.00	0.00
Total	303,200.00	567,085.00

25. Segment Information

Non applicable

26. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024/2025	2023/24
	Kshs	Kshs
Total		NILL

Contingent Liabilities

Description	2024/2025	2023/2024
	Kshs	Kshs
Contingent Liabilities		
Audit fees for the FY 2024/2025	232,000.00	0.00
Total	232,000.00	0.00

(The above is the estimate of what the Office of the Auditor general may charge the college on their fee note for the audit services for the FY 2024/2025)

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27. Capital Commitments

Capital Commitments	2024/2025	2023/2024
	Kshs	Kshs
Authorised for	0.00	0.00
Authorised and Contracted Optimum Ltd for the supply and implementation of an ERP	2,350,000.00	0.00
Total	2,350,000.00	0.00

28. Events After The Reporting Period

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

29. Ultimate And Holding Entity

The **Kibwezi West TVC** is a State Corporation/ or a Semi-Autonomous Government Agency under the Ministry of Education- State Department of TVET. Its ultimate parent is the Government of Kenya.

30. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1.	Unsupported rendering of services - Fees from students.	<p>As observed in the audit, this was due to migration/posting errors between the nominal rolls and ledgers. Mainly the use of the manual book keeping system was the cause of the problem.</p> <p>The matter has since been addressed by management bringing on board an ERP system which will ensure that such errors are eradicated. The service contract with the supplier of the system has already been signed and infrastructure installation is underway for full implementation in the FY 2025/2026.</p>	Resolved but on a continuous basis. i.e. as WIP.	In one year's time, the system will be fully functional.
2.	Non – Valuation of Assets and lack of tagging	Assets have since been valued and an asset register updated.	Valuation- Resolved Tagging - Ongoing	By 31/12/2025, all assets will have been tagged.
3.	Lack of Land Ownership	The management has taken several steps to wards the acquisition of the land tittle. So far, a letter of allotment	Not. Resolved.	No time lines as the remaining part of the exercise is beyond

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
		has been issued by the ministry of lands. The ministry lands continually has been asking the management to be patient as they conclude the process of the title deed issuance.		control of the management.
4.	Unsupported Trade and Other payables from exchange transactions	These were mainly due to incomplete procurement processes and documentation. The mangement has since recuited and deployed a procurement professional to who will ensure that the same does not recur.	Resolved	Already completed
5.	Casting errors in the Financial statements; 5.1. Statement of Financial Performance 5.2.Statement of Financial Position	The ERP system referd to in 1 above	Resolved	Already completed
6.	Irregularities in Payments	The matter was is to be escalated to the full board for further action as it was already dealt with by the board in the previous year.	Not resolved	By 30/6/2026
	Report on Lawfulness and Effectiveness in the use of Public Resources			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1.	Non- Compliance with law on Ethnic Composition.	Management has endeavoured to ensure this balance during recruitment but upon posting by the PSC who perform this roll, mostly the college does not receive the same officers that were recruited.	Not resolved	None
2.	Non- Adherence to Gender Balance and Inclusion of Persons with Disabilities.	The management is committed to ensure that this does not recur by locking positions for the PWDs during recruitment exercises.	Not resolved	30/6/2026
	Report on Effectiveness of Internal Controls, Risk management and Governance.			
	<ul style="list-style-type: none"> Failure to Hold Meetings by the Audit Committee 	Limitation of the fincial resources brought this about but management has budgeted surfficient resources to ensure that this does not recur.	Not resoved	30/6/2026

BENSON K. MBEKE

Chief Principal /BOG Secretary
Date 17th November 2025



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Appendix II: Projects Implemented by: Kibwezi West TVC

Projects

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

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

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Construction of Temporally classrooms(Pre-fabs)	1,100,000.00	749,856.00	95% complete	1,100,000.00	749,856.00	Own source funds from school fees
2	Refurbishing the underground water tank	150,000.00	88,000.00	100%	100,000.00	88,000.00	Own source funds from school fees

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity: **Ministry of Education- State Department for TVET**

Name of beneficiary entity: **Kibwezi West TVC**

Confirmation of amounts received by the Kibwezi West TVC as at 30 th June (Current FY 2024/2025)							
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Capitation (Kshs)	Scholarship Kshs.	Total (C)=(A+B)	Remarks
MoE/DTE/SCHO/VOL.1(61)							
MoE/DTE/SCHO/VOL.1(64)	20-Sep-24	-	-		772,501.00	772,501.00	Received
MoE/DTE/SCHO/VOL.1(60)	20-Sep-24	-	-		261,864.60	261,864.60	Received
MoE/DTE/CAP/45(448)	20-Sep-24	-	-		255,145.70	255,145.70	Received
MoE/DTE/SCHO/VOL.1(62)	23-Sep-24	-	-	914,127.50	-	914,127.50	Received
MoE/DTE/CAP9/44(33)	24-Sep-24	-	-		295,459.10	295,459.10	Received
MoE/DTE/CAP9/45(30)	2-Oct-24	500,000.00	-		-	500,000.00	Received
MoE/DTE/CAP/46(44)	21-Jan-25	500,000.00	-		-	500,000.00	Received
Total	18-Feb-25	-	-	2,482,425.00	-	2,482,425.00	Received

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		1,000,000.00	-	3,396,552.50	1,584,970.40	5,981,522.90	Received
		<p>I confirm that the amounts shown above are correct as of the date indicated.</p> <p>Head of Accounts Department - Disbursing Entity:</p> <p>Name.....Sign Date</p> <p>Head of Accounts Department - Beneficiary Entity:</p> <p>Name: CPA ISAAC MURIRA Sign  Date: 27/8/2025</p>					

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Appendix IV: Reporting of Climate Relevant Expenditures

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

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Appendix V: Reporting on Disaster Management Expenditure

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