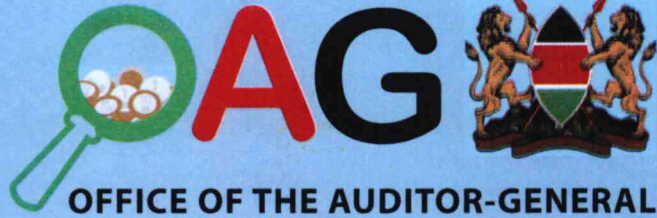


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
OF

THE AUDITOR-GENERAL

ON

KONGONI TECHNICAL AND
VOCATIONAL COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	05 NOV 2025
	DAY: WED
TABLED BY:	DEPUTY M&JORITY PARTY WITIP
CLERK-AT THE-TABLE:	





(KONGONI TECHNICAL AND VOCATIONAL COLLEGE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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KONGONI 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
Fiduciary Management	Key Management personnel who have financial responsibility in the college
KNEC	Kenya National Examination Council
ICT	Informational Communication Technology
BCE	Building and Civil Engineering
TVETA	Technical and Vocational Education and Training Authority

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key College Information and Management

(a) Background information

Kongoni Technical and Vocational College is located in Likuyani Sub-County of Kakamega County next to Likuyani Sub County Headquarters along Kitale -Eldoret Road.

The idea to start the college was mooted by the political and community leadership in 2016. This was in line with the government policy of establishing a technical training college in every constituency. The political leadership then availed funds to purchase approximately 5 acres of land. The first block that was constructed in 2016 and completed in 2019 houses the offices, lecture rooms and workshops. The college was registered by the Technical and Vocational Education and Training Authority (TVETA) in November 2019 under Registration Certificate number TVETA/ASS/7/3440K (2). It is a centre of excellence in Building and Civil Engineering (BCE).

Currently, the college has enrolled 2653 trainees in Building and Civil Engineering, Information Communication Technology (ICT), Business Studies, Electrical and Electronics Engineering, Hospitality and Institutional Management, Agriculture, and Mechanical Departments.

The number of staff stands at 69 trainers and 17 support staff.

(b) Principal Activities

The principal activity of the college is to offer vocational education and training at artisan, certificate and diploma levels as per the TVET Act 2013.

The mandate of Kongoni TVC is as follows:

- To train in Artisan, Craft and Diploma courses examined by KNEC, Level 3 to Level 6 for CET- CDACC Examinations and Grade III to I for NITA Examinations
- To develop and implement both curricula and co-curricular in response to the demands in the labour market.
- To conduct research and promote innovations.
- To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- To inculcate and promote micro enterprise activities within the college and beyond
- To in-service the community in awareness in general issues like prevention of drug and alcohol abuse, to promote gender equity, to consider people living with disability in all societal issues etc.
- To foster cultural and religious diversity.

VISION

To be the top rated technical and vocational College in technical training, innovation and Action research in Kenya and beyond.

MISSION

To Provide Quality Technical and Vocational Training in Collaboration with stakeholders to produce Highly Skilled and Innovative Human resource.

MOTTO

Technology and innovation to meet societal needs.

CORE VALUES

To undertake its mission and realize its vision, Kongoni TVC upholds the following values:

- **Equity**- The College shall ensure fair treatment of staff, trainees and all other stakeholders without bias.
- **Integrity** – The College staff shall have common decorum reflected in their personal appearances, interactions and conducts.
- **Team work** - The College is committed to teamwork environment where every person is a valued member treated with respect, encouraged to contribute and recognized and awarded for his or her efforts.
- **Professionalism** – The College shall provide systematic instructions, specialized skills and knowledge to produce professionals in different fields of study.
- **Transparency & Accountability** – The College shall provide clarity and openness in actions and shall be obliged to explain decisions by taking responsibility for one's

(c) Key Management

The Kongoni Technical and Vocational College's day-to-day management is under the following key organs:

- Board of Governors.
- Accounting officer/ Principal
- Management team

(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	Judith Akaranga
2.	Deputy principal Administration	Newton Tarian
3.	Deputy principal Academics	Lucy Makokha
4.	Registrar	Andrew Juma
5.	Dean of students	Kevin Masinde
6.	Head of Finance	CPA Millcent Nambo

Key College Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

The proper conduct of Kongoni TVC staff and the Board is guided by; provisions of Public Finance Management Act 2012, Public Procurement and Disposal Act 2015, treasury circulars and guidelines issued from time to time, the Code of Governance for State Corporations (MWONGOZO), and other relevant laws and regulations. It comprises of;

1. Finance, Procurement and Human Resource Committee
2. Education, Research, Training and Innovation committee
4. Risk and Audit Committee
5. Kenya Revenue Authority
6. Office of the Auditor General
7. National Social Security Fund
8. Social Health Authority
9. Ministry of Education
10. TVET Authority

Full Board of Management

The full board of management is responsible to;

1. Promote the best interests of the College and ensure its development.
2. Promote quality education for all Trainees in accordance with the standards set under this Act or any other written law.
3. Ensure and assure the provision of proper and adequate physical facilities for the College.
4. Manage the College's affairs in accordance with the rules and regulations governing the occupational safety and health.
5. Facilitate and ensure the provision of guidance and counselling to all Trainees.
6. Provide for the welfare and observe the human rights and ensure safety of the Trainees, Trainers and non-trainers at the College.
7. Encourage a culture of dialogue and participatory democratic governance at the College.
8. Encourage the learners, Trainers, and non-trainers and other, parents and the community, and other stakeholders to render voluntary services to the College.
9. Allow reasonable use of the facilities of the College for community, social and other lawful purposes, subject to such reasonable and equitable conditions as it may determine including the charging of a fee.
10. Administer and manage the resources of the College.
11. Receive, collect and account for any funds accruing to the College.
12. Recruit, employ and remunerate such number of non-trainers as may be required by the College in accordance with this Act.
13. Perform any other function to facilitate the implementation of its functions under this Act or any other written law.

The full BOG consists of the following 3 committees;

Finance, Planning, Procurement and Human Resource Committee

Perform financial, procurement and recruitment responsibilities delegated by the full board of management. Their recommendation is subject to approval by the full BOG.

Education, Training, Research and Development committee.

Perform academic reviews and performance and set performance requirements in accordance to ministerial expectations. Their recommendation is subject to approval by the full BOG.

Audit and Risk Management Committee.

To audit and provide quality assurance services for the College activities and functions. Their recommendation is subject to approval by the full Board of Governors

(f) College Headquarters

Kongoni Technical and Vocational College
P.O. Box 45 - 30205
Matunda, KENYA

(g) College Contacts

Telephone: (+254)726698841/0788070303
E-mail: Kongonitvc@gJuneil.com
Website: www.kongonitvc.ac.ke

(h) College Bankers

S.NO	Account Name	Type	Account No.	Bank	Branch
1	Kongoni TVC- Recurrent A/C	Current	1267312963	Kenya Commercial Bank	Moi's bridge
2	Kongoni TVC- Development A/C	Current	1286112613	Kenya Commercial Bank	Moi's bridge
3	Kongoni TVC- Examination A/C	Saving	1286110785	Kenya Commercial Bank	Moi's bridge

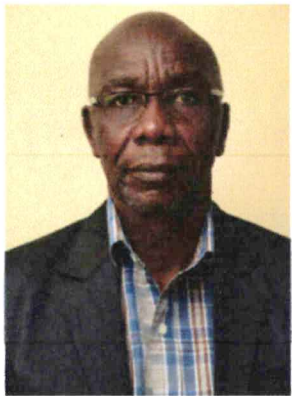


(i) Independent Auditors

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

(j) Principal Legal Adviser


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

3.The Council/Board of Governors



<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Eng. Moses K Mukangula	<p>D.O.B: 1959 Key Qualification: BSc - Civil Engineering (University of Nairobi) Professional Engineer (Engineers Board of Kenya - EBK) Corporate Member College of Engineers of Kenya (IEK) Work Experience: Over 35 years of Engineering practice in Ministry of Public Works (1985-1996), Kenya Wildlife Service (1997-1998), Lutheran World Federation, (1999-2000), Masinde Muliro University of Science and Technology (2003-2020), Consultant Civil/Structural Engineer (2021- to date). Specialized in project conception, engineering design and construction supervision, and Project Management. He is the Chairman of the Board of Governors</p>
2.	 Mr. John Kihunyu Wakaro	<p>DOB: 1957 KEY QUALIFICATIONS: BED (ENG. /LIT) COLLEGE: Moi University. Work Experience: Teaching Basic Education from 1980-2007. Currently a Director of a Private Academy. Chairman of Education Training, Research and Development Committee.</p>
3.	 Naomi Connie Lusitche	<p>DOB: 1969 KEY QUALIFICATIONS; BCOM COLLEGE: Catholic University. Work Experience: BANKER – 26 years’ experience at Barclays Bank of KENYA LTD, Certified Professional Mediator (MTI) 5 Years A member of the Finance, Procurement and Human Resource and Audit and Risk Committees</p>




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


4.	 Simon Lusui Khazenzi	<p>D.O.B: 1959 KEY QUALIFICATIONS: Bachelor (Architecture) COLLEGE: University of Nairobi Work Experience: 1985-2010; Ministry of Public Works. 2010- 2014; Ministry of Housing. Chairman of the Finance, Procurement and Human Resource Committee.</p>
5.	 Priscilla Ogola	<p>D.O.B: 1958 KEY QUALIFICATION; BSC Education. Work experience; 2010 to 2018- Moi Girls Secondary School Nangili (Chemistry and mathematics Teacher) 1994 – 2009- Eshikulu Secondary School (Chemistry and mathematics Teacher) A member of the Audit and Risk management as well as Education Training and Research Committees.</p>
6.	 Vincent Kiprop	<p>D.O.B:1987 KEY QUALIFICATIONS; masters in Telecommunication. Work experience; Jan 2018 - to Date; Innova Africa Ltd (managing Director and Lead Engineer) June 2014 - to June 2017 Intellect Group Ltd (Mobile Banking Director and Lead Engineer) A member of the Education Training and Research Committee.</p>
7.	 Silvanos Moindi	<p>D.O.B: 1988 KEY QUALIFICATIONS; masters of Business Administration - Punjab Technical University Work experience; March 2018 – To date -Life Insurer and Financial Advisor – ICEA Lion Group. March 2017 – June 2018- Manager/ Project Supervisor - Pomiste Clothing and Technology Company Chairman of Audit and Risk Management Committee.</p>

<p>8.</p>	 <p>Judith Gahuya Akaranga</p>	<p>D.OB: 1966 Key Qualifications: MED (Educational Administration)-Kenyatta University. Work Experience: 2024- To date - Principal Kongoni Technical and Vocational College. 2019-2025-Principal Shamberere TTI. 2016-2019- Principal Musakasa TTI. 2016-2016-D/principal Masai TTI. 2013-2016-DOS Masai TTI. 2006-2008-Principal Shitoto Girls. 2004-2006-Principal Khwisero Girls. 1997 to 2004 HOD at St. Juney’s Mumias Girls High School. 1996 -Boarding Mistress at Lugulu Girls High School 1990-1996-Worked as a teacher at Lugulu Girls high school. Secretary to the Board of Governors</p>
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4. Key Management Team

SN.	Member/ Director	Details
1.	 <p>Judith Gahuya Akaranga - PRINCIPAL</p>	<p>D.OB: 1966 Key Qualifications: MED (Educational Administration)-Kenyatta University. Work Experience: 2024- To date - Principal Kongoni Technical and Vocational College. 2019-2025-Principal Shamberere TTI. 2016-2019- Principal Musakasa TTI. 2016-2016-D/principal Masai TTI. 2013-2016-DOS Masai TTI. 2006-2008-Principal Shitoto Girls. 2004-2006-Principal Khwisero Girls. 1997 to 2004 HOD at St. Juney's Mumias Girls High School. 1996 -Boarding Mistress at Lugulu Girls High School 1990-1996-Worked as a teacher at Lugulu Girls high school. Secretary to the Board of Governors</p>
2.	 <p>Mr Newton Tarian THE DEPUTY PRINCIPAL-ADMINISTRATION</p>	<p>D. O. B: 1976 KEY QUALIFICATIONS; B TED (Building Construction Technology) Work Experience: 2021- To date. Deputy principal-Administration - Kongoni TVC 2019-2021 D/ Principal -Musakasa TTI. 2012– 2019 HOD – Building & Civil Engineering - Sanga'alo Institute of science & Technology 2005- 2012 – Trainer – Sang'alo Institute of science and Technology.</p>

3.	 <p>Mrs. Lucy Makokha – DEPUTY PRINCIPAL ACADEMICS</p>	<p>DOB: 1974 KEY QUALIFICATIONS; MSc Statistics- MMUST 2025 Jan –To date: Deputy principal academics- Kongoni TVC 2020-2024: HOD applied science department- Kisiwa TTI 2018- 2024: Research, Innovation and Robotics Coordinator Kisiwa TTI 2014 to 2018: Deputy /HOD (Applied Science Department Kisiwa TTI) 2001-2014: Director of Studies/ Maths/Chem teacher- Malaha sec school</p>
4.	 <p>Mr Andrew Juma- REGISTRAR</p>	<p>D. O. B: 1990 KEY QUALIFICATIONS ;Diploma in Building Work Experience: 2019-to Date: kongoni TVC- Trainer and Registrar 2014 – 2019: Sigalagala National polytechnic- Trainer 2013-2014: Manager Lurale Youth</p>
5.	 <p>Mr. Kevin Masinde -DEAN</p>	<p>D. O. B: 1989 KEY QUALIFICATIONS; Moi University-BSc Information Technology Work Experience: 2021-TO DATE- Dean of trainees, ICT Trainer KONGONI TVC 2019-2021 -Acting Deputy Principal KONGONI TVC, ICT Trainer 2017-2019- HOD ICT & Trainer Musakasa TTI 2015-2017-Kapsabet Boys –(Teacher) 2012-2014-University Of Nairobi (ICT intern).</p>

6.	 <p>CPA Nambo Wanyonyi Millcent- FINANCE OFFICER</p>	<p>D.O.B: 1991 KEY QUALIFICATIONS; 2012-2014: ECA- Eldoret (CIFA- On going) 2016-2019: JKUAT (BCOM – Accounting) 2012-2014: KCBM (CPAK) Membership; CPAK & IIA –K Work Experience: 2021- To date; Kongoni Technical College (Finance Officer) -Preparation of Financial Reports. -Budgeting 2018-2021;Bace partners-K (Audit Senior)</p>
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5. Chairman's Statement

This year is the seventh year of operation at Kongoni TVC after being mentored by Shamberere TTI.

The College has seen progress in student admission whereby the population has increased from one thousand three hundred and ninety-five in the previous year to two thousand six hundred and sixty-five this year. This is as a result of aggressive marketing that was carried out by the College in the year. The College also carried out recruitment of staff to match the increased trainees' population. Non-teaching staff population is seventeen while the BOG trainers increased to forty and the Public Service Commission trainers increased to twenty-eight.

The College offered a total of eighty-four courses with majority of the trainees taking Building Technology. The College has a plan of carrying out more marketing to ensure that the maximum capacity is utilised and since the number of female trainees in SET courses is still low to increase female trainees in SET courses.

The College Board consists of seven members comprising of five male and two female. The college did not get a representative of the County Government in Board.

The board has been organised into three committees namely:

- i. Audit and Risk management committee
- ii. Finance planning, procurement and Human Resource committee
- iii. Education, Training and Research committee

The above committees have been working tirelessly with the Board all throughout this year. Despite the above structures, the College has faced some challenges which emanate from the shortage of resources to meet the College's needs.

Last year the management faced challenges in supplying clean water to the College. This was biting especially during dry seasons. This has forced the College to collect water from the wells which its safety to the users was not guaranteed. In search of a better solution to this problem the Board is still in consultation with the county government of Kakamega to drill a borehole in the College.

Although there was an increase in competent staff population the proposed staff establishment is yet to be put in place. This is due to lack of budgetary constraints to employ these staff.

Not all trainees received HELB Loan and scholarship fees.

The college also lacked a college bus to transport trainees and trainers to various college functions and activities. This forced the College to hire means of transport whenever there was trainees' or trainers' functions.

Generally, the College is in good position to operate.

DR. RUTH MITALO
BOARD CHAIRPERSON

6. Report of the Principal

Kongoni technical and vocational College (KTVC) is a public middle level technical College in the Ministry of Education under the State Department of Vocational and Technical Training. The College started admitting trainees for both Technical and Business courses in September 2019. A total of 63 trainees were admitted for the first time in 2019 September and the number have grown **2653**.

Kongoni Technical and Vocational College is located at about 500 meters off the Eldoret Kitale main road near Kongoni market in Likuyani Sub- County of Kakamega county

CORE MANDATE OF THE COLLEGE

- i. To teach and train in Artisan, Craft and Diploma courses examined by KNEC and other accredited Examining bodies.
- ii. To conduct research and promote innovations.
- iii. To develop and implement both curricular and co-curricular in response to the demands in the labour market.
- iv. To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- v. To inculcate and promote micro enterprise activities within the College and beyond
- vi. To in-service the community in awareness in general issues like prevention of drug and alcohol abuse, to promote gender equity, to consider people living with disability in all societal issues etc.
- vii. To foster cultural and religious diversity.
- viii. To implement the Ministry of Education policy on Technical, Vocational Education and Training.

VISION

To be the top rated technical and vocational College in technical training, innovation and action research in Kenya and beyond

MISSION

To provide quality technical and vocational training in collaboration with stake holders to produce highly skilled and innovative human resource

MOTTO

Technology and innovation to meet societal needs

CORE VALUES

To realize its vision and undertake its mission, Kongoni TVC upholds the following core values.

- Equality
- Integrity
- Team work
- Professionalism
- Transparency and accountability

QUALITY POLICY

Kongoni Technical and Vocational College is committed to providing quality human resource that meets its customers expectation through technology, innovation and action research.

KEY MANAGEMENT

The key management organs of the College are;

- a) Board of Governors (BOG)
- b) Accounting officer/Principal
- c) Management team

FUNDING

Kongoni technical and vocational College receives funds for its operation from;

- i. The National Government in form of capitation/grants and scholarships.
- ii. High Education Loan Board.
- iii. Bursaries from NG-CDF from different constituencies.
- iv. Parent/guardians
- v. Production units in the College.

ENROLMENT

Despite the many challenges the College faced at the time it started training, the enrolment has kept on growing from initial 1,395 trainees to the current enrolment of 2,653 trainees spread across the six academic departments namely Hospitality, Electrical Engineering, Building Construction Engineering ICT and Business.

TRAINERS

The number of trainers has also gone up from the initial 49 trainers to the current 69 trainers.

NON – TRAINING STAFF

Non – training staff also increased from 11 to 17 members.

CHALLENGES

Like any other upcoming College, Kongoni Technical and Vocational College has several challenges such as:

- Inadequate human resource for both training and support staff.
- Lack of proper established structures and systems.
- Inadequate funds for operations.
- Inadequate training space.
- Lack of reliable water supply.
- Inadequate training equipment
- Inadequate infrastructures (classrooms, offices and workshops)
- Lack of land space for expansion and recreational facilities

Prepared by: *J. Akaranga*

JUDITH AKARANGA
PRINCIPAL/SECRETARY BOG



7. Statement of Performance against Predetermined Objectives

Kongoni Technical and Vocational College has six strategic pillars and nineteen objectives within its Strategic Plan for the FY 2020-2025. These strategic pillars are as follows:

1. To provide quality and relevant technical and vocational training
2. To build a sustainable institutional capacity
3. To establish and improve adequate infrastructural capability.
4. To acquire adequate staffing levels and establish an effective performance management system
5. To institutionalize and implement an efficient service delivery system
6. To develop and extend quality and relevant community outreach services and programs

Kongoni Technical and Vocational College develops its annual work plans based on the above six pillars. Assessment of the Board’s performance against its annual work plan is done on a yearly basis. Kongoni Technical and Vocational College achieved its performance targets set for the FY 2023/2024 period for its six strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
i. To provide quality and relevant technical and vocational training	i. To initiate market-driven and relevant trainings ii. To develop an internal quality assurance system iii. To develop partnership programmes iv. To provide adequate training materials	i. List of new programmes mounted ii. Available partnership contracts. iii. No of equipment and facilities acquired iv. Available internal quality assurance system	i. Mounting of new programmes ii. Signing of memorandum of understanding. iii. Procurement of training materials, equipment and facilities iv. Development of internal quality assurance system	i. Four additional programmes mounted ii. 12 MOUs signed with industry partners iii. Training materials and equipment worth xx iv. Internal quality assurance system developed
ii. To build a sustainable	i. Develop strategic and	i. Availability of strategic and	i. Procurement process for new	i. Workshops and laboratories equipped

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

<p>institutional capacity</p>	<p>operational plans ii. Diversify sources of income and funding iii. Development and implement study work environment policy.</p>	<p>operational plans ii. Number of diversified income funding iii. Available study work environment policy</p>	<p>equipment and infrastructure i. Budgetary/ procurement process put in place. i. Construction of facilities and infrastructure</p>	<p>ii. Two hostels build iii. Electrical and mechanical engineering workshops equipped</p>
<p>iv. To establish and improve adequate infrastructural capability. To acquire adequate staffing levels and establish an effective performance management system</p>	<p>i. P;</p>	<p>i. Available infrastructural development plan. Number of modern relevant training equipment.</p>	<p>i. Development of infrastructural development plan. Procurement of modern relevant training equipment</p>	<p>i. new board capacity built ii. staff and trainees sensitized iii. two conferences held iv. no exhibitions held due to COVID-19 situation v. number of meetings held NG-CDG, county bursaries, and other bursaries schemes secured.</p>
	<p>ii. and implement Establish an effective performance management</p>	<p>i. Available staff development policy ii. Recruitment in an open and transparent manner</p>	<p>i. Draft a staff recruitment policy and appraisal tool ii. Recruit according to</p>	<p>(k) Availability of staff hiring tool and development policy Advertisement and recruitment for</p>

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

	ment system	iii. Advertised and recruit for position ii. Conduct needs assessment and training	establishment adhering to openness and transparency ii.	different positions
i. Number of public forums and exhibitions participated ii. Available community outreach policy. vi. Create brand id Kongoni Technical and Vocational College and public relations system.	(i) Attend public forum and exhibitions (ii) Establish community outreach	(i) Take part in public forum and exhibition (ii) Take part in Community outreach	i. Participate in public forums and exhibitions. ii. Develop community outreach policy. iii. Creation of public relations system.	(i) Availability of public forum (ii) Availability of Community outreach

Kongoni TVC strategic pillars as espoused in its strategic plan 2020-2025 and as is captured in the performance contracting document for the financial year 2021-2023 under strategic objectives clearly builds a nexus between the strategic pillars and Kongoni TVC co-mandate and its other cross cutting issues in attainment of the strategic objective of Kongoni.

8. Corporate Governance Statement

Kongoni Technical and Vocational College Board of Governors recognizes its accountability to the Government and to the public at large and therefore, It values honesty, openness and integrity in Governance. It ensures that the College is governed according to the relevant laws and regulations. The Board consist of one (1) executive member while the rest nine (7) are non-executive members. Members of the Board are drawn from different professional fields hence bringing into board different skills and experience.

The principal carries out day to day activities of the College on behave of the Board, however, the Board retain its accountability to the government and to the public to ensure that the College is managed diligently.

Board Meetings.

There are at least three meetings in a year as per the TVET Act 2013. The Chairperson presides over every meeting at which he is present, but in the absence of the Chairperson the members present may elect one from among their number to preside.

The quorum for the Board meeting is seven members which include five appointed members. Sub-committee meetings are held from time to time depending on agency of the matter at hand.

Committees of the Board

Kongoni Technical and Vocational College board has three standing committees namely:

- i. Education Training and Research committee
- ii. Finance, Planning, Procurement and Human Resource committee
- iii. Audit and Risk Management committee

I. Education, Training and Research committee

It consists of three members. Its responsibilities are:

- i. Overseeing the conduct of education and training in the institution in accordance with the provisions of TVET Act 2013.
- ii. Promoting and maintaining standards, quality and relevance in education and training in the institution in accordance to TVET Act 2013.
- iii. Developing and reviewing programs for training and to make representations thereon to the Board.
- iv. Regulating the admission and exclusion of trainees from the institution, subject to a qualifications framework and provision of TVET Act 2013.
- v. Approving collaboration or association with other institutions and industries in and outside Kenya.
- vi. Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry
- vii. Making regulations governing organization, conduct and discipline of the staff and trainees

II. Finance, Planning, Procurement and Human Resource committee

Finance committee ensures that there is proper management of College finances as per the PFM Act 2013.

It also does the following functions as per the TVET Act 2013.

- i. Prepare annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the College.
- ii. Determine fees payable and prescribe condition under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of TVET Act 2013.

III. Audit and Risk Management committee

This committee consists of three members. Its responsibilities are as follows:

- i. It ensures that the College has kept proper records of its fixed assets and maintains them properly.
- ii. Administering and managing the property of the institution.
- iii. Develops and implements the institution's strategic plan.
- iv. Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consideration of applicable laws.
- v. It carries out analysis of the College assets and ensures that the College directs funds to the suitable projects.
- vi. It ensures that the College has followed procurement laws in acquisition and development of College assets.
- vii. It ensures that the budget allocations to development projects are reasonable and the budget is strictly executed in every particular year.

Board's accountability

Despite delegation of its duties to different committees, the Board is fully aware of its accountability to the government of Kenya.

Resignation of appointment, Revocation of appointment, and vacation of office.

Kongoni Technical and Vocational College applies provisions Second schedule of TVET Act when dealing with resignation of appointment, revocation of appointment and vacation of office by Board members.

Boards succession planning

Kongoni Technical and Vocational College has taken a holistic board succession planning approach whereby the Nomination Committee, after considering the strategic direction of the College, plays a critical role in analysing the needs of every Board. The Board's tenure is three years and the existing members can be re-nominated for another one term only. The College has kept a bank of Curriculum Vitae for those who have been identified as potential and therefore in case of any vacancy it will be easily replaced.

Conflict of interest

Kongoni Technical and Vocational College applies provisions of the Second schedule of TVET Act as far as Conflicts of interests are concerned.

Accountability and Risk Management

Operation structures have been developed, approved and implemented including policies and procedures manuals on risk management which take into account sustainability, ethics and compliance risk for all functional areas as appropriate, every staff is encouraged to carry out his duties in line with the provisions of the above policies and procedures as delegated by the Board. Kongoni TVC management also ensures that relevant laws and procedures are enforced in all activities carried out in the College.

The Board has established risk management function and internal audit function within the College which carries out risk assessment on a continuous basis and submits a written assessment of the effectiveness of the system of internal control on a yearly basis to the Board Audit and Risk Management committee.

The Board has appointed a committee responsible for audit and risk management in the organization whose chairman is an independent member of the Board. It obtains relevant technical advice where necessary. This committee meets with the external auditor once a year. The Board evaluates the performance this committee annually.

It states in every annual report its responsibility for preparing the report and accounts and the state of the Kongoni Technical and Vocational College whether it is a going or quitting concern.

It ensures that the books of accounts are prepared on timely basis and ensure that the external audit of the financial statements is completed and submitted within stipulated timelines it ensures that the internal audit function monitors for rectification, weakness noted by the external auditor. It also sets out its responsibility for risk management in the Board Charter.

The management team gives assurance to the Board that risk management framework is integrated in the daily activities of the organization.

Board Remuneration

Board members are re-embused their transport and travel cost and subsistence for the day while attending meetings and official consultations for the College and receive allowances.

The College financial assets are trade receivables and cash and short-term deposits which arise directly from its operations. The College has financial liabilities comprising trade and other payables.

The College has exposure to the following risks:

- i) Liquidity risks
- ii) Credit risks

The board has overall responsibility for the establishment and oversight of the College's risk management framework. The board through their regular meetings addresses risks associated with internal operations.

Liquidity risk

Liquidity risk is the risk that the College will not be able to meet its financial obligations as and when they fall due. The College's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the College's reputation. Typically, the College ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and political violence.

Credit risk

Credit risk is the risk of financial loss to the College if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the organization's receivables from customers. The Management ensures that student debtors clear their fees arrears before their documents (Certificates) are released.

Major risks the College is facing;

Material arrears in statutory/financial obligation

Kongoni Technical and Vocational did not have any material arrears in statutory/financial obligations in the year under review.

The Kongoni Technical and Vocational College' financial probity and serious governance issues

The College did not have any major financial improbity reported during the year under review

9. Management Discussion and Analysis

Section A

The college's operational and financial performance

Kongoni TVC admitted a total of trainees in various courses as per the requirements of KNQA framework. This admitted number is higher than in the last period and it is as a result of continuing aggressive marketing, increased awareness in the community, surrounding counties carried out throughout the period which involved moving from Market to another Market advertising TVET courses.

Training has been smooth in this period though with challenges faced in availing training resources due to **undisbursed** funds from government agencies. The college offered 59 TVETA approved courses of which are set courses.

By the end of the year, the college had a total of **86** employees **29** being trainers employed by Public Service Commission, **40** being trainers employed by the Board and **17** being non-teaching staff employed by the Board. Some of the staff were trained through capacity building organised by KATTI the Treasury and other organizations.

In this period the college organised several academic trips to the trainees to various relevant organizations. This motivated the trainees and staff.

The college did not participate in extra curricula activities as the same were not scheduled by KATTI due to strained financial resources

In order to generate extra income, the college invested in income generating units like the college farm, and production of concrete blocks and cabros.

Section B

College's compliance with statutory requirements

The college has been compliant to the following statutes and has contributed as per its provisions as follows:

1. NHIF/SHA
2. NSSF
3. P.A.Y.E
3. Income Tax

Other statutes that the college has complied with are:

- Public Finance Management Act 2012
- Public Procurement and Disposal Act 2015
- Mwongozo
- CDAC
- TVET ACT
- KNQA

However, the college was faced with some risks emanating from;

- i. Cut back of development grants
- ii. Poor payment of fees by the trainees

- iii. Insufficient supply of clean water
- iv. Low completion rate by trainers
- v. Poverty levels in the in the prospective trainees back ground.
- vi. Limited alternative sources of funds
- vii. Shortage of training infrastructure
- viii. Insufficient PSC Trainers

Section C

Key projects and investment the College is planning/implementing.
There were no projects in place during the year.

Section D

Major risks facing the College

The College financial assets are trade receivables and cash and short-term deposits which arise directly from its operations. The College had financial liabilities comprising of trade and other payables.

The College had exposure to the following risks:

- i) Market risks
- ii) Liquidity risks
- iii) Credit risks

The Board had overall responsibility for the establishment and oversight of the College's risk Management framework. The Board through their regular meetings addressed risks associated with internal operations.

(A). Market risk

Market risk refers to the potential for financial losses or operational challenges that could impact the college's ability to provide quality education and services. Here are some specific Market risks that Kongoni Technical and vocational college might face:

1. Economic Downturns

- **Unemployment Rates:** High unemployment can reduce the number of trainees enrolling in vocational programs.
- **Inflation:** Rising costs of living and Materials can Make education more expensive, potentially deterring trainees.

2. Political Risk

- **Policy Changes:** Fluctuations in government policies regarding education and vocational training can affect funding and regulations.
- **Elections:** Political instability during election periods can disrupt the college's operations and financial stability.

3. Market Competition

- **Private Colleges:** Competition from private vocational schools offering similar programs can attract trainees away.
- **Globalization:** International competition from other countries offering similar training programs can impact local colleges.

4. Technological Risk

- **Digital Transformation:** Failure to adopt new technologies can Make the college's programs outdated and less competitive.
- **Cybersecurity:** Threats to data integrity and security can disrupt operations and compromise trainee Information.

5. Operational Risk

- **Resource Availability:** Shortages in qualified instructors, Materials, and equipment can affect the quality of education.
- **Infrastructure:** Maintenance and upgrades to facilities are necessary to meet standards and attract trainees.

Mitigation Strategies

1. **Diversification of Programs:** Kongoni Technical College is Offering a wide range of programs to cater to different Market needs and reduce dependency on any single program.
2. **Continuous Improvement:** Kongoni Technical College is Regularly updating curricula and adopting new technologies to stay relevant.
3. **Strong Alumni Network:** Kongoni Technical College is building a strong alumni network to provide support, mentorship, and potential partnerships.
4. **Effective Marketing:** Kongoni Technical College is utilizing Marketing strategies to promote the college and its programs effectively.
5. **Risk Management Plans:** Kongoni Technical College is developing and implementing comprehensive risk Management plans to address potential challenges.

By understanding and addressing these Market risks, Kongoni Technical College might can enhance its resilience and continue to provide valuable education and training to its trainees.

(B). Liquidity risk

Liquidity risk refers to the risk that a college or individual may not be able to meet their short-term financial obligations due to an inability to convert assets into cash quickly. For Kongoni Technical and Vocational college, liquidity risk can significantly impact her operations and financial stability. Here are some specific aspects of liquidity risk for Kongoni Technical and Vocational college:

1. Cash Flow Management

- **Revenue Fluctuations:** Variability in trainee enrolments and government funding has lead to unpredictable cash flows.
- **Expense Timing:** Large expenses, such as payroll or Maintenance costs, has strained cash reserve.

2. Funding and Financing

- **Government Funding:** Dependence on government funding has created liquidity issues if there are delays or reductions in allocations.

3. Operational Costs

- **Utility Bills:** Rising costs of utilities has impacted budgeting and cash flow Management.
- **Supplies and Materials:** Sudden increases in the cost of educational Materials and supplies has strain resources.

4. Trainee-Related Expenses

- **Tuition and Fees:** Ensuring that there is sufficient cash flow to cover tuition and fees, especially during peak enrolment periods.
- **Scholarships and Financial Aid:** Managing the disbursement of scholarships and financial aid programs without depleting cash reserves.

Mitigation Strategies

1. **Effective Cash Management Systems:** Kongoni Technical and Vocational college is implementing robust cash Management systems to track income and expenses accurately and predictably.
2. **Diversified Funding Sources:** Kongoni Technical and Vocational college is diversifying funding sources to include private donations, partnerships, and alternative financing options.
3. **Contingency Planning:** Kongoni Technical and Vocational college is developing contingency plans to address potential cash flow shortages, such as emergency funds or lines of credit.
4. **Budgeting and Forecasting:** Kongoni Technical and Vocational college is regularly reviewing and adjusting budgets based on actual performance and forecasts.

By addressing these liquidity risks through effective Management and strategic planning, Kongoni Technical and Vocational college can ensure they have the necessary resources to continue providing quality education and services to their trainees.

(C). Credit risk

Credit risk refers to the possibility that a borrower will fail to meet their financial obligations, resulting in a loss for the lender. Kongoni Technical and Vocational College, Managing credit risk is crucial, especially when dealing with trainee loans and other forms of credit extended to trainees or staff. Here are some specific aspects of credit risk for Kongoni Technical and Vocational College:

1. Trainee Loans

- **Default Risk:** The risk that trainees will default on their loans, particularly after graduation when they may face financial challenges.
- **Interest Rate Risk:** The risk that changes in interest rates will affect the repayment terms and the college's ability to service its own debt.

2. Vendor and Supplier Credit

- **Payment Delays:** The risk of delayed payments to vendors and suppliers, which has strained relationships and impacted the availability of necessary Materials and services.
- **Credit worthiness of Suppliers:** The risk that suppliers themselves are facing financial difficulties, impacting their ability to deliver goods and services.

3. Operational Credit

- **Staff Salaries:** Ensuring that there is sufficient cash flow to meet payroll obligations, especially if the college faces unexpected financial crisis

Mitigation Strategies

1. **Credit Screening:** Kongoni Technical and Vocational College is implementing thorough credit screening processes for trainees and vendors to assess their ability to repay loans and meet financial obligations.
2. **Diversification of Funding Sources:** Kongoni Technical and Vocational College is diversifying funding sources to reduce reliance on any single type of credit and mitigate the impact of defaults or payment delays.
3. **Insurance:** Kongoni Technical and Vocational College is considering credit insurance to protect against defaults and other credit-related risks.
4. **Financial Reserves:** Kongoni Technical and Vocational College is Maintaining adequate reserves to cover potential defaults and unexpected financial obligations.
5. **Monitoring and Review:** Kongoni Technical and Vocational College is regularly monitoring credit risk and reviewing credit policies to ensure they remain effective and aligned with current Market conditions.

By addressing these credit risks through careful Management and strategic planning, Kongoni Technical and Vocational College can protect their financial stability and continue to provide valuable education and services to their trainees and community.

Section E

Material arrears in statutory/financial obligations

Kongoni Technical and Vocational did not have any Material arrears in statutory/financial obligations in the year under review.

Section F

The College's financial probity and serious governance issues

The College did not have any Major financial improbity reported during the year under review.

10. Environmental And Sustainability Reporting Statement

Kongoni Technical and Vocational College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the trainees/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives).

Sustainability strategy and profile

Institutional challenges

- Financial constraints in provision of adequate training materials and learning resources in line with the massive recruitment of trainees;
- Capacity building of staff is not adequate, especially in information and communications technology (ICT) competences with new changes;
- Student's inability to afford laptops and/or smartphones needed for online learning

Integration

Due to the potential of TVET to contribute to socioeconomic development, many countries in the world are embarking on reforms to establish TVET systems that are fit for purpose.

The major programmes KTVC offers are:

- Welding and fabrication
- Mechanical technology
- Electrical engineering
- Building construction
- Hospitality and Institutional Management.
- Computing and Informatics
- Business studies

Environmental performance

ENVIRONMENTAL POLICY

Kongoni TVC commits itself to and endorses the need to protect the environment.

Kongoni TVC acknowledges and accepts its responsibility to conduct its business in compliance with applicable environmental laws and regulations.

To accomplish this, the top management is committed to:-

Establish an internal review procedure to identify environmental impacts of all functions within the institution and to access levels of compliance with applicable laws and regulations pertaining to the environment.

Develop a program aimed at safe-guarding the quality of the environment and achieving compliance.

Establish and maintain appropriate training programs designed to make every employee competent to carry out his/her responsibilities with respect to the policy.

In the year under review, the college managed to plant 8,860 tree seedlings within the compound as well as surrounding institutions.

Report annually on regulatory compliance, issues and improvements.

ENVIRONMENTAL STATEMENT

Kongoni TVC has a vital interest in ensuring a clean and healthy environment.

Kongoni TVC also relies on a healthy environment so that you, the customer, can enjoy the standard of living and healthy.

As technology advances and regulations change, Kongoni TVC will continue to improve systems,

Reduce waste and efficiently utilize resource to meet the environmental challenges of the next century.

Kongoni TVC will make available to interested parties, its environmental program and its environmental control activities

Employee welfare

Kongoni TVC has taken great concern of its employees by ensuring that their welfare is taken care of in the Human Resource Policies captured in the KTVK HR Manual.

The employee welfare within the college is well taken care of by ensuring non discriminative engagements by way of recruitments where the gender ratio is considered and also management roles taking cognisance of article 10 of the Kenyan constitution

Market place practices-

KTVK has employed best market place policies by putting effort in the following areas;

- a) Responsible competition practice.

Kongoni Technical and vocational college ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors by implementing relevant government policies and procedures.

- b) Kongoni Technical and vocational college maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

Corporate Social Responsibility / Community Engagements

The college in the current year under review engaged in CSR a few targeted areas due to lack of funds occasioned by non-remittance from government agencies.

11. Report of the Board of Governors

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

Principal activities

The principal activities of the Kongoni Technical and Vocational College are to teach and train in TVET

Results

The results of the Kongoni Technical and Vocational College for the year ended June 30 are set out on page 1 - 6

Council/Board of Governors

The members of the Board who served during the year are shown on page 4

Auditors

The Auditor General is responsible for the statutory audit of the *Kongoni Technical and Vocational College* in accordance with Article 229 of the Constitution of for the year 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

Akaranga
.....

Judith Akaranga
Secretary BOG

Date: *15/09/2025*
.....



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

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

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

The Board members accept responsibility for the *Kongoni Technical and Vocational College's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 The Board members further confirm the completeness of the accounting records maintained for the *Kongoni Technical and Vocational College*, which have been relied upon in the preparation of the *Kongoni Technical and Vocational College's* financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board members to indicate that the *Kongoni Technical and Vocational 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 *Kongoni Technical and Vocational College's* financial statements were approved by the Board on 07/08/2025 and signed on its behalf by:



.....
Name Dr. Ruth Mitalo
Chairperson of Council/Board

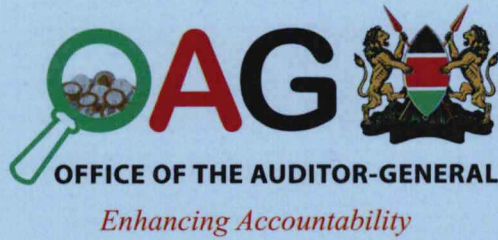


.....
Judith Akaranga
Principal



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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KONGONI 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 the 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 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.
- C. Report on the 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 Kongoni Technical and Vocational College set out on pages 1 to 49, which comprise the statement of financial

position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kongoni 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 Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.113,494,703 and as disclosed in Note 23 to the financial statements. The receivables balance increased by Kshs.75,091,003 from previous year balance of Kshs.38,403,700. However, review of the ageing analysis provided for audit review revealed that receivables balance of Kshs.93,307,518 had been outstanding for more than one (1) year and Management did not provide evidence of efforts made to collect the long outstanding debts. Further, no provision for bad and doubtful debts was provided during the year under review.

In the circumstances, the accuracy and recoverability of the current portion of receivables from exchange transactions balance of Kshs.113,494,703 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual amounts on comparable basis of Kshs.176,208,950 and Kshs.125,241,690 respectively, resulting to an under-funding of Kshs.50,967,260 or 29% of the budget. Similarly, the College spent Kshs.59,776,073 against actual receipts of Kshs.125,241,690 resulting to an under-expenditure of Kshs.65,465,617 or 52% of the actual receipts.

The under-funding and under-expenditure 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit of the previous year, several issues were reported under the Report on the Financial Statements, Emphasis of Matter and Report on Lawfulness and Effectiveness in Use of Public Resources, as detailed in appendix 1. However, Management has not resolved the issues or given reasons for the delay in resolving the issues.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on

Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with Law on Staff Ethnic Diversity

Analysis of the payroll and the staff list provided for audit revealed that during the year under review, the College had seven-one (71) employees, both teaching and non-teaching staff and on permanent and pensionable terms. However, out of the total number, forty-six (46) employees or 65% were from one ethnic community. Similarly, out of the nine (9) board members, six (6) or 67% were from one ethnic dominant community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that no public establishment shall have more than one third of its staff from one ethnic community.

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

2. Long Outstanding Payables

The statement of financial position and Note 28 to the financial statements reflect a balance of Kshs.12,400,583 in respect of trade and other payables from exchange transactions. However, the ageing analysis shows that payables amounting to Kshs.5,631,782 have been outstanding for over one (1) year. The Management did not provide evidence of efforts made to settle the long outstanding payables.

This was contrary to Section 74(4)(d) of the Public Finance Management Act, 2012, which states that 'for the purposes of this section, a Public Officer or Accounting Officer engages in improper conduct in relation to a National Government entity if the officer fails, without reasonable excuse, to pay eligible and approved bills promptly in circumstances where funds are provided for.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for

Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Inadequate Information Communication Technology Internal Controls Environment

Review of Information Communication Technology (ICT) internal controls environment and records of the College indicated that the College lacked critical documents including the ICT strategic plan, disaster recovery plan and an approved ICT security policy. Further, the College had not established an ICT steering committee. This was contrary to Regulation 110 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that Accounting Officers for a National Government entity should institute appropriate access controls needed to minimize breaches of information confidentiality, data integrity and loss of business continuity.

In the circumstances, the effectiveness of the College's ICT environment internal controls could not be confirmed.

2. Inventory Management Internal Control Weaknesses

The statement of financial position and Note 25 to the financial statements reflect inventories balance of Kshs.1,570,367. However, physical verification of the inventories stores revealed that the College did not have adequate storage space for various items in the stores. Electrical items were stored in a makeshift room which was a toilet and in boxes on the floor and therefore not protected against damages caused by cleaning water, deterioration by dampness, or insects. Further, physical verification of the main store revealed inadequate shelves to store items which resulted in keeping them in boxes and some piled together without proper arrangement. Further, the College lacked inventories management policy.

In the circumstances, the existence and effectiveness of the internal controls on inventories management could not be confirmed.

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

Responsibilities of the Management and 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 College's, ability to sustain 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 Institute or to cease its 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 for 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

07 October, 2025

Appendix 1: Unresolved Prior Year Matters

Reference Number of the Auditor-General's Report	Observation
	Report on the Financial Statements
	Long Outstanding Receivables from Exchange Transactions
	Emphasis of Matter
	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Non-compliance with Staff Ethnicity Requirement
2	Long Outstanding Payables
	Report on Effectiveness of Internal Controls, Risk Management and Governance
	Failure to Insure College Assets

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

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	7,937,178	7,487,925
Grants from donors and development partners	7	-	-
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
		7,937,178	7,487,925
Revenue from Exchange transactions			
Rendering of services- fees from students	10	103,654,635	49,982,098
Sale of goods	11	215,290	446,690
Rental revenue from facilities and equipment	12	28,000	-
Finance income	13	-	-
Miscellaneous income	14	13,406,587	8,039,730
Revenue from Exchange transactions		117,304,512	58,468,518
Total Revenue		125,241,690	65,956,443
Expenses			
Use of goods and services	15	44,670,287	28,029,032
Employee costs	16	8,960,643	7,767,647
Board Expenses	17	2,713,319	1,934,823
Depreciation and amortization expense	18	14,992,353	15,633,586
Repairs and maintenance	19	1,439,534	151,081
Contracted services	20	1,992,290	-
Total Expenses		74,768,425	53,516,169
Other (Losses)			
Impairment loss	25	(-)	(-)
Total Other (Losses)		-	-
Net surplus/(deficit) for the year		50,473,264	12,440,274

(The notes set out on pages 7 to 52 form an integral part of the Annual Financial Statements)
 The Financial Statements set out on pages 1 to 6 were signed by:

.....
Chairperson of Council/Board

Principal
 Date:..... Sign:.....
 P. O. Box 45-30205, MATUNDA

KONGONI TECHNICAL & VOCATIONAL COLLEGE
FINANCE OFFICER
 15/09/2025
 Sign:.....
 Box 45-30205, MATUNDA
ICPAK No 25594

Date:15/09/2025

Date: 15/09/2025

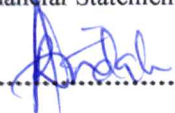
Date: 15/09/2025

KONGONI 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	22	809,809	1,511,651
Current portion of receivables from exchange transactions	23	113,494,703	38,403,700
Receivables from non-exchange transactions	24	-	-
Inventories	25	1,570,367	637,610
Total Current Assets		115,874,879	40,552,961
Non-Current Assets			
Property, plant, and equipment	26	170,983,336	160,322,702
Intangible assets	27	1,240,000	1,337,760
Total Non-Current Assets		172,223,336	161,660,462
Total Assets (A)		288,098,216	202,213,423
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	28	12,400,583	4,271,755
Refundable deposits from customers	29	-	-
Payments received in advance	30	8,021,250	5,839,276
Total Current Liabilities		20,421,833	10,111,031
Non-Current Liabilities			
Total non-current liabilities		-	-
Total Liabilities (B)		20,421,833	10,111,031
Net Assets (A-B)		267,676,382	192,102,392
Represented By:			
Revaluation Reserves		25,100,727	-
Accumulated Surplus		41,986,538	(8,486,726)
Capital Fund		200,589,117	200,589,117
Net Assets		267,676,382	192,102,391

The Financial Statements set out on pages 1 to 6 were signed by;



Chairperson of Council/Board

Date: 15/09/2025


Principal
 Date: 15/09/2025

Date: 15/09/2025


Finance Officer
 Sign:
 Date: 15/09/2025

Date: 15/09/2025

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

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	-	(20,927,000)	200,589,117	179,662,117
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	12,440,274	-	12,440,274
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2024	-	(8,486,726)	200,589,117	192,102,391
At July 1, 2024	-	(8,486,726)	200,589,117	192,102,391
Revaluation gain	25,100,727	-	-	25,100,727
Surplus/(deficit) for the year	-	50,473,264	-	50,473,264
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2025	25,100,727	41,986,538	200,589,117	267,676,382

NOTE: Items that are not common in financial statements for FY 2024/2025 GAIN/LOSS ON REVALUATION .

S/N	ASSET CLASS	MARKET VALUES AS AT 30/06/2024 PER REVALUATION REPORT (KSHS)	NBV AS AT 30/06/2024 AS PER FY 23/24 FR (KSHS)	GAIN/LOSS ON REVALUATION
1	FREEHOLD LAND	12,500,000.00	10,000,000.00	2,500,000.00
2	BUIDINGS & SITEWORKS	71,931,800.00	52,254,045.00	19,677,755.00
3	PLANT, MACHINERY & EQUIPMENT	93,717,827.75	93,375,297.00	342,530.75
4	COMPUTERS & ICT EQUIPMENT	2,732,452.50	607,097.00	2,125,355.50
5	FURNITURE & FITTINGS	4,058,472.50	3,815,627.00	242,845.50
6	INTANGIBLE ASSETS	1,550,000.00	1,337,760.00	212,240.00
TOTAL		186,490,552.75	161,389,826.00	25,100,726.75

KONGONI 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 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		7,937,178	7,487,925
Grants from donors and development partners		-	-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
Rendering of services- fees from students		34,717,354	25,340,633
Sale of goods		163,290	390,690
Rental revenue from facilities and equipment		28,000	-
Finance income		-	-
Miscellaneous income		13,406,587	6,444,460
Total Receipts		56,252,408	39,663,708
Payments			
Use of goods and services		44,209,421	29,116,233
Employee costs		7,467,932	8,074,406
Board Expenses		1,850,573	2,306,364
Repairs and maintenance		1,439,534	151,081
Contracted services		1,906,790	-
Grants and subsidies		-	-
Total Payments		56,874,250	39,648,084
Net Cash Flows from operating activities	31	(621,842)	15,624
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(80,000)	(163,800)
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(80,000)	(163,800)
Cash flows from financing activities			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		(-)	(-)
Net cash flows used in financing activities		(-)	(-)
Net Increase/(Decrease) in Cash and Cash equivalents		(701,842)	(148,176)
Cash and Cash equivalents at 1 JULY	26	1,511,651	1,659,827
Cash and Cash equivalents at 30 JUNE	26	809,809	1,511,651

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year	-	-	-	-	-	-
Receipts						
Transfers from other National Government entities	99,000,000	(-)	99,000,000	7,937,178	(91,062,823)	(92)%
Grants from donors and development partners	-	(-)	-	-	-	-%
Transfers from other levels of government	-	(-)	-	-	(-)	-%
Public contributions and donations	-	(-)	-	-	(-)	-%
Rendering of services- fees from students	70,509,000	(-)	70,509,000	103,654,635	33,145,635	47%
Sale of goods	2,627,950	(-)	2,627,950	215,290	(2,412,660)	(92)%
Rental revenue from facilities and equipment	1,500,000	(-)	1,500,000	28,000	(1,472,000)	(98)%
Finance income	-	(-)	-	-	(-)	-%
Miscellaneous Income	2,572,000	(-)	2,572,000	13,406,587	10,834,587	421%
Total Receipts	176,208,950	(-)	176,208,950	125,241,690	(50,967,261)	-
Payments						
Use of goods and services	81,033,314	-	81,033,314	44,670,287	(36,363,027)	(45)%
Employee costs	14,714,400	(-)	14,714,400	8,960,643	(5,753,757)	(39)%
Board Expenses	4,695,736	(-)	4,695,736	2,713,319	(1,982,417)	(42)%
Repairs and maintenance	4,079,500	(-)	4,079,500	1,439,534	(2,639,966)	(65)%
Contracted services	2,686,000	(-)	2,686,000	1,992,290	(693,710)	(26)%
Grants and subsidies	-	(-)	-	-	-	-
Total Expenditure Payments	107,208,950	(-)	107,208,950	59,776,073	(47,432,877)	-
Capital Expenditure Payments	69,000,000	-	69,000,000	-	(69,000,000)	(100)%
Surplus	-	-	-	65,465,617	65,645,617	-

- Transfers from National Government entities of kshs99,000,000 was not received in full (only kshs 7,937,798) under Capitation grants & operational grants for FY 2024- 2025.
- Kshs 103,654,635 was collected from Rendering of services compared to a budget ksh 70,509,000 at an absorption rate of 47 % due to increased population.
- The college failed to attain its budget on sale of goods by kshs 2,412,660 due to non-remittance of required funds from government agencies.
- The college failed to attain its budget on rental revenue from facilities and equipment by kshs 1,472,000 due to because of limited activities that took place in college.
- The college surpassed its budget figure under Miscellaneous income by kshs 10,834,587 due to increase in number of trainees.
- 45% was no attained under the use of goods and services due to lack of funds that the college was facing.
- Inability to recruit additional staff, improve salaries as per the staff establishment due to non-remittance of required funds from government agencies.
- Board expenses was not achieved due to non-remittance of required funds from government agencies.
and lack of implementation of the approved budget for the FY 2024/2025 in terms of capacity building.
- Repair and Maintenance were unattained by 65% of kshs 2,639,966 due to non-remittance of required funds from government agencies.
- The college failed to attain its budget on contracted services by 26% due to non-remittance of required funds from government agencies.
- Capital expenditure was not achieved because funds were not disbursed by GOK and CDF Likuyani Sub County.

Budget Reconciliation

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	65,465,617
Timing differences	(64,655,807)
Closing Cash and Cash Equivalent as per the statement of Cash flows	809,809

19. Notes to the Financial Statements

1. General Information

Kongoni Technical and Vocational College is established by and derives its authority and accountability from TVET 2013 Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to offer vocational 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 *College's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note -. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *College*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, (*include any other applicable legislation*), 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 2024, it is applicable in Kenya from 1st July 2024)

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 a College. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

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

	<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>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that a college 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>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <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 College'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.

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 College 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 College 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 College.

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 Council or Board on **19th January 2024**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals to conclude the final budget. The College'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 College is exempt from paying taxes as per TVET Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 6 year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.* (College to amend appropriately). Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation 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 College 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 College. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability 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 College 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 College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

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

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

Financial assets

Classification

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

Subsequent measurement

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

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 College manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The *College* 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 *College* will incur in fulfilling the present obligations represented by the liability.

n) Nature and purpose of reserves

The *College* creates and maintains reserves in terms of specific requirements. (*College maintains a revaluation reserve account as per IPSAS 45; Property Plant & Equipment Guideline*).

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

r) Borrowing costs

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

s) Related parties

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

t) Service concession arrangements

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

u) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to 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 *College's* financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions have not been made and management can determine an estimate based on the information available.

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

6. (a) Transfers from other National Government entities

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	7,437,350	7,487,925
Operational Grant	499,828	-
Development grants	-	-
Other Grants	-	-
Total unconditional Grants	7,937,178	7,487,925
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	7,937,178	7,487,925

(b) Transfers from other Government entities (Categorized)

Name of the College 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	2023 - 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry	7,937,178	-	-	7,937,178	7,487,925
Total	7,937,178	-	-	7,937,178	7,487,925

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7. Grants from Donors and Development Partners

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

8. Transfers from Other Levels of Government

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

9. Public Contributions and Donations

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

10. Rendering of Services

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Tuition Fees	56,640,584	27,333,323
Personal Emoluments	19,772,995	9,489,618
Local, Travel and Transport	6,079,444	2,929,539
Repairs, Maintenance and Improvements	4,940,611	2,329,138
Electricity, Water and Conservancy	6,153,279	3,020,704
Activity Fees	6,870,822	3,254,676
Medical fees and Attachment	3,196,900	1,625,100
Total Revenue from The Rendering of Services	103,654,635	49,982,098

Rendering of services was accrued from 2653 number of students for the FY 2024/2025

Description	2024 - 2025
	Kshs
Rendering of services- fees from students to be reported to Cashflow statement	
Actual Amount Received as accumulated in the bank statements	56,252,408
LESS:-Actual amounts Received Relating to Note 6,11,12 and 14	
6. Transfers from other National Government entities	7,937,178
11. Sale of goods	163,290
12. Rental revenue from facilities and equipment	28,000
14. Miscellaneous income	13,406,587
Total	21,535,055
Rendering of services- fees for students -Actual amount Received	34,717,354

11. Sale of Goods

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Sale of Blocks	-	215,660,
Sale of Vegetables	1,845	3,530
Sale of maize	52,000	96,000
Computer Packages	10,000	31,000
Driving	80,000	16,500
Capacity Building	-	40,000

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Event's Sponsorships	42,000	44,000
Material/Learning Fees	17,000	
Food and Beverage sales	12,445	
Total Revenue from Sale of Goods	215,290	446,690

Revenue was generated from college farm for sale of vegetables and maize. It was also received from the highlighted events and occasions in college. Sponsorship events was during cultural festival in college where politicians gave trainees tokens after performing on the stage.

Description	2024 - 2025	
	Kshs	
Sale of goods to be reported to Cashflow statement		
Amount as per Statement of Financial Performance	215,290	
Adjustments		
Less; Outstanding receipt of maize	-	52,000
Sale of goods-Actual amount Received	163,290	

12. Rental revenue from facilities and equipment

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Hire of Facilities and Equipment	-	-
Contingent Rentals	28,000	-
Total	28,000	-

The college hired the ground to KUPPET Western Region during their AGM and agreed to pay the above stated amount. (Contingent rentals include hire grounds, institutional facilities like halls, kitchen etc.)

Description	2024 - 2025	
	Kshs	
Rental revenue from facilities and equipment to be reported to Cashflow statement		
Amount as per Statement of Financial Performance	28,000	
Adjustments		
There was No adjustment since no amount was received	-	
Rental income-Actual amount Received	28,000	

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13. Finance Income

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Cash investments and fixed deposits	-	-
Total finance income	-	-

The college does not have any investments in financial markets in terms of convectional investments or Alternative investments.

14. Miscellaneous Income

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Examination fees	7,145,487	2,913,230
Registration fees	590,500	420,500
Hostel fees	1,497,500	1,891,000
Trainees IDs	590,350	422,500
Trainees Union	1,225,750	744,450
Replacement fees	-	6,050
KUCCPs Charges	1,762,500	1,249,500
TVETA Quality Assurance fee	588,500	392,500
Practicals	6,000	
Total other income	13,406,587	8,039,730

The difference in comparison is as a result of increase in number of trainees. Examination fees increased by ksh due to increase in exams sitting, ie KNEC, CDACC and NITA.

Description	2024 - 2025
	Kshs
Miscellaneous Income to be reported to Cashflow statement	
Amount as per Statement of Financial Performance	13,406,587
Adjustments	
LESS:- As at June 2025 Accrued Expenses	
Hostel	-
Registration Fees	-
Trainees' IDs	-
Trainees' Union	-
KUCCPs	-
TVETA Quality Assurance fee	-
Total	-
Other income-Actual amount Received	13,406,587

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15. Use of Goods and Services

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Bank charges	76,565	53,390
Marketing and advertisement	3,259,148	1,209,256
Tuition expenses	12,089,316	11,654,855
Hostel expenses	1,685,200	1,053,600
Local Transport and Travelling	5,433,681	6,937,980
Electricity, Water and conservancies	595,597	427,296
Capacity building	1,601,548	373,539
Trainees Union	1,207,835	325,547
Industrial attachment costs	425,000	270,300
Activity	3,936,412	1,238,519
Examination fees	6,374,730	2,602,790
Medical costs	69,961	44,697
Trainees' ID expenses	252,700	167,650
Farm expenses	56,449	65,726
KUCCPS placement charges	2,244,000	659,992
Membership subscription	38,400	138,700
Production unit	75,600	280,508
Admission/registration expenses	55,019	65,950
Event Sponsorship expenses	42,000	24,197
KATTI	93,000	-
Linkages, Benchmarking and research	530,057	-
Mpesa Charges	17,709	-
P/Contract Expenses	353,482	-
Dual training	973,734	-
Driving Expenses	52,000	-
Atupa Expenses	219,000	-
KUCCPS Validation	1,342,300	-
Postage and delivery	5,350	-
Tendering expenditure	127,111	-
Rental Box	7,725	-
CSR	30,000	-
Staff reimbursables	264,000	-
Trainees' Practicals	6,000	-
TVET Quality Assurance Expense	521,500	-
Adminstration Expenses	98,738	-
Consultancy services	509,420	-
Security Services	-	434,540
Total good and services	44,670,287	28,029,032

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Description	2024 - 2025
	Kshs
Use of goods and services to be reported to Cashflow statement	
Amount as per Statement of Financial Performance	44,670,287
Adjustments	
ADD:- FY 2023-2024 Accrued Expenses Paid in FY 2024-2025	
Accrued expenses	9,498,760
Total	9,498,760
LESS:- As at June 2025 Accrued Expenses	
Trade payables	8,275,226
Marketing	91,000
Travelling and Accommodation activity	105,000
activity	32,000
KUCCPS	1,345,000
Airtime reimbursibles	20,500
Consultancy services	14,000
Trainees' Union	76,900
Total	9,959,626
Use of goods and services-Actual amount Paid	44,209,421

16. Employee Costs

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Salaries and wages	7,503,381	6,669,960
PAYE	122,656	137,660
NSSF	929,561	601,510
NHIF/SHA	217,470	260,050
Helb deductions	38,584	61,692
Housing levy	118,488	36,775
Nita	30,503	-
Employee Costs	8,960,643	7,767,647

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Description	2024 - 2025
	Kshs
Employee costs to be reported to Cashflow statement	
Amount as per Statement of Financial Performance	8,960,643
Adjustments	
LESS:- As at June 2025 Accrued Expenses	
May & June 2025 salaries	1,347,914
PAYE	9,644
NSSF	87,554
NHIF/SHA	19,905
HELB	2,032
Housing levy	23,162
Nita Levy	2,500
Total	1,492,711
Employee costs-Actual amount Paid	7,467,932

17. Board Expenses

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Chairman's Honoraria and Allowances	311,894	159,860
BOG Members Allowances	1,576,959	1,244,953
BOG PAYE	679,006	530,010
Other Board Expenses	145,460	-
Total	2,713,319	1,934,823

Description	2024 - 2025
	Kshs
Board /Council Expenses to be reported to Cashflow statement	
Amount as per Statement of Financial Performance	2,713,319
LESS:- Accrued Expenses	
Chairman's allowance	127,250
BOG members allowance	401,996
PAYE	333,500
Total	862,746
Board /Council Expenses-Actual amount Paid	1,850,573

18. Depreciation and Amortization expense

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Property, plant and equipment	14,682,353	15,299,146
Intangible assets	310,000	334,440
Investment property carried at cost	-	-
Total depreciation and amortization	14,992,353	15,633,586

Depreciation and Amortization expense being a non cash movement item it cannot be reported to the statement of cash flow.

19. Repairs and Maintenance

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
General Repair and maintenance	1,439,534	151,081
Total Repairs and Maintenance	1,439,534	151,081

Increase in comparable costs as a result renovations and improvements in the buildings for the year under review.

Description	2024 - 2025
	Kshs
Repairs and maintenance to be reported to Cashflow statement	Kshs
Amount as per Statement of Financial Performace	1,439,534
Adjustments	
There was No adjustment since whole expenditure was incurred	-
Repairs and maintenance-Actual amount Paid	1,439,534

20. Contracted Services

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Security Expenses	602,290	-
Property valuations	1,390,000	-
Other (specify)	-	-
Total contracted services	1,992,290	-

The increase in security expenses was due to extra costs incurred in engaging police during various college activities such as cultural day and also the contracted service for property valuation.

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Description	2024 - 2025
	Kshs
Contracted Services to be reported to Cashflow statement	
Amount as per Statement of Financial Performance	1,992,290
Adjustments	
LESS:- As at June 2025 Accrued Expenses	85,500
Contracted Services-Actual amount Paid	1,906,790

21. Impairment Loss

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

Impairment loss occurs when a **business asset suffers an unexpected, permanent depreciation in fair market value** in excess of the book value of the asset on a company's financial statements as per IPSAS 21.14. During the asset revaluation, the college reported a book value of kshs 161,389,826 against a market value of kshs 186,490,553. From this computation, there was a revaluation gain (kshs 25,100,727) and not an impairment loss.

22. Cash and Cash Equivalents

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Current Account	809,809	1,511,651
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Specify)	-	-
Total Cash and Cash Equivalents	809,809	1,511,651

This amount agrees with the closing and opening balances as included in the statement of cash flows

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

Financial Institution	Account number	2024 - 2025	2023 - 2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1267312963	38,845.55	947,560.45
Kenya Commercial Bank	1286110785	535.50	218,198.25
Kenya Commercial Bank	1286112613	770,428.05	345,891.80
Sub- Total		809,809.10	1,511,650.50
b) On - Call Deposits			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
e) Others(<i>Specify</i>)			
Cash in Transit		-	-
Cash in Hand		-	-
Mobile Money account		-	-
Sub- Total		-	-
Grand Total		809,809.10	1,511,650.50

23. Receivables from Exchange transactions

23 Current Receivables from Exchange transactions

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Current Receivables		
Student Debtors	113,087,403	38,048,400
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	407,300	355,300
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	113,494,703	38,403,700

27 (b) Long- term Receivables from Exchange transactions

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	-	-
Advance Payments	-	-
Public Organizations	-	-
Less: Impairment Allowance	(-)	(-)
Total	-	-
Current Portion Transferred To Current Receivables	(-)	(-)
Total Non-Current Receivables	-	-
Total Receivables	-	-

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024 - 2025		2023 - 2024	
	Kshs	% of total	Kshs	% of total
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	20,187,185	18%	23,150,989	60%
Between 1- 2 years	56,107,587	49%	9,552,858	25%
Between 2-3 years	35,654,850	31%	5,094,156	13%
Over 3 years	1,545,081	1%	605,970	2%
Total (a+b)	113,494,703	100%	38,403,700	100%

24. Receivables from Non-Exchange transactions

Description	2024 - 2025	Insert Comparative FY
	Kshs	Kshs
Current Receivables		
Capitation Grants*	-	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	-	-

25. Inventories

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Consumable stores	822,367	411,385
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	670,000	226,225
Cleaning Materials stores	12,000	-
Catering stores	66,000	-
Less: Impairment allowance	-	-
Total Inventories at lower of Cost and Net Realizable Value	1,570,367	637,610

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26. Property, Plant and Equipment

Depreciation is computed on a reducing balance method.

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Books	CCTV	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost	0.00%	2.00%	12.50%	30.00%	12.50%	20.00%	30.00%	
At 1 July 2023	10,000,000	56,856,127	5,124,300	1,505,314	139,510,140	194,971	-	213,190,852
Additions	-	-	-	-	-	-	163,800	163,800
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
At 30th June 2024	10,000,000	56,856,127	5,124,300	1,505,314	139,510,140	194,971	163,800	213,354,652
Additions	-	-	-	454,500	-	-	-	454,500
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	(4,602,082)	(1,308,674)	(898,217)	(46,134,843)	(38,994)	(49,140)	(53,031,950)
Revaluation	2,500,000	19,677,755	242,846	2,125,356	342,531.00	-	-	24,888,487
At 30th June 2025	12,500,000	71,931,800	4,058,472	3,186,953	93,717,828	155,977	114,660	185,665,689
Depreciation And Impairment								
At 1 July 2023	-	3,535,673	763,584	638,032	32,795,515	-	-	37,732,804
Depreciation	-	1,066,409	545,090	260,185	13,339,328	38,994	49,140	15,299,146
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
At 30th June 2024	-	4,602,082	1,308,674	898,217	46,134,843	38,994	49,140	53,031,950
Depreciation	-	1,438,636	507,309	956,086	11,714,729	31,195	34,398	14,682,353
Disposals	-	-	-	-	-	-	-	-

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Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	(4,602,082)	(1,308,674)	(898,217)	(46,134,843)	(38,994)	(49,140)	(53,031,950)
At 30th June 2025	-	1,438,636	507,309	956,086	11,714,729	31,195	34,398	14,682,353
Net Book Values								-
At 30th June 2024	10,000,000	52,254,045	3,815,626	607,097	93,375,297	155,977	114,660	160,322,702
At 30th June 2025	12,500,000	70,493,164	3,551,163	2,230,867	82,003,100	124,782	80,262	170,983,336

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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 Pioneer valuers' professional valuers on 19th June 2024. These amounts were adopted in the financial statements on 1st July 2024.

26 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	12,500,000	-	12,500,000
Buildings	71,931,800	1,438,636	70,493,164
Furniture and fittings	4,058,472	507,309	3,551,163
Computers	3,186,953	956,086	2,230,867
Plant and equipment	93,717,828	11,714,729	82,003,100
Books	155,977	31,195	124,782
CCTV	114,660	34,398	80,262
Total	185,665,689	14,682,353	170,983,336

Description	Cost
	Kshs
Purchase of property, plant, equipment and intangible assets to be reported to the statement of cashflow	
Purchase of property, plant, equipment as per PPE Schedule	80,000
Purchase of intangible assets as per Intangible assets additions	-
Purchase of property, plant, equipment and intangible assets-Actual cost	80,000

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27. Intangible Assets

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Cost		
At beginning of the year (FY 2022-2023)	1,858,000	1,858,000
Additions	-	-
Transfers/Adjustments	-	-
Revaluation	-	-
At end of the year (FY 2023-2024)	1,858,000	1,858,000
Additions-internal development	-	-
Transfers/Adjustments	(520,240)	-
Revaluation	212,240	-
At end of the year (FY 2024-2025)	1,550,000	-
Amortization and Impairment		
At beginning of the year (FY 2022-2023)	185,800.00	
Amortization	-	-
Transfers/Adjustments	334,440	-
At end of the year (FY 2023-2024)	520,240	-
Amortization	310,000	185,800
Transfers/Adjustments	(520,240)	334,440
At end of the year (FY 2024-2025)	310,000	520,240
NBV	1,240,000	1,337,760

28. Trade and Other Payables

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Trade payables	8,275,226	2,172,182
Salaries	1,347,914	528,985
Salary deduction	144,797	101,469
BOG Allowances	401,996	95,002
Chairman's allowance	127,250	-
BOG P.A.Y.E	333,500	35,858
Security expenses	85,500	-
Marketing	91,000	-
Travelling and Accommodation	105,000	-
activity	32,000	-
Trainees' Union	76,900	74,760
KUCCPS	1,345,000	364,500
Airtime reimbursable	20,500	35,000
Consultancy services	14,000	-
Hostel expenses	-	864,000
Total Trade and Other Payables	12,400,583	4,271,756

Description	2024 - 2025		2023 - 2024	
	Current FY	% of the Total	Comparative FY	% of the Total
Ageing analysis:				
Under one year	6,768,801	55%	3,088,784	72%
1-2 years	2,546,525	21%	364,500	9%
2-3 years	2,382,786	19%	-	-
Over 3 years	702,471	6%	811,471	-19%
Total (to tie to totals above)	12,400,583	100%	4,271,755	100%

29. Refundable Deposits from Customers/Students

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Consumer deposits	-	-
Caution money	-	-
Other refundable deposits	-	-
Total Deposits	-	-

30. Payments received in advance.

Description	2024 - 2025		2023 - 2024	
	Kshs		Kshs	
Fees received in advance	8,021,250		5,839,276	
Others (Specify)	-		-	
Total	8,021,250		5,839,276	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	1,245,875.00	16%	839,245	14%
1-2 years	2,968,754.00	37%	1,758,456	30%
2-3 years	2,554,785.00	32%	1,452,671	25%
Over 3 years	1,251,836.00	16%	1,788,904	31%
Total	8,021,250.00	100%	5,839,276	100%

31. Cash generated from operations.

	2024 - 2025	2023 - 2024
	KShs	KShs
Surplus for the period before tax	50,473,264	12,440,274
Adjusted for:		
Depreciation	14,992,353	15,633,586
Non-cash grants received	(-)	-
Contributed assets	(374,500)	-
Working Capital adjustments		
Increase in inventory	(932,757)	(421,860)
Increase in receivables	(75,091,003)	(28,041,138)
Increase in payables	8,128,828	(2,116,832)
Increase in payments received in advance	2,181,974	2,521,592
Net cash flow from operating activities	(621,841)	15,624

32. Financial Risk Management

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

(i) Credit risk

The College 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 College's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	38,403,700	38,403,700	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	1,511,651	1,511,651	-	-
Total	39,915,351	39,915,351	-	-
At 30 June 2025				
Receivables from exchange transactions	113,494,703	113,494,703	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	809,809	809,809	-	-
Total	114,304,512	114,304,512	-	-

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

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

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	683,812	976,502	2,611,441	4,271,755
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	683,812	976,502	2,611,441	4,271,755
At 30 June 2025				
Trade Payables	1,062,852	763,759	10,573,972	12,400,583
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	1,062,852	763,759	10,573,972	12,400,583

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(iii) Market risk

The College has put in place an internal audit function to assist it in assessing the risk faced by the College on an ongoing basis, evaluate and test the design and effectiveness of its internal 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 College's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The College'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 College's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The College does not have transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the College's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

The College manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2024			
Euro	10%	-	-
Usd	10%	-	-
2025			
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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iv) Capital Risk Management

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

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Revaluation Reserve	25,100,727	-
Retained Earnings	50,473,264	12,440,274
Capital Reserve	200,589,117	200,589,117
Total Funds	276,163,108	213,029,391
Total Borrowings	-	-
Less: Cash and Bank Balances	(809,809)	(1,511,651)
Net Debt/(Excess Cash and Cash Equivalents)	-	-
Gearing	-%	-%

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33. Related Party Balances

Nature of related party relationships

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

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

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

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from KPLC	595,597	427,296
Purchase of water from govt service providers	-	-
Rent expenses paid to govt agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	595,597	427,296
b) Grants /Transfers from the Government		
Grants from National Govt	7,937,178	7,487,925
Grants from County Government	-	-
Donations in Kind	-	-
Total	7,937,178	7,487,925
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for - Employees	8,960,643	7,767,647
Payments for Goods and Services for -	47,506,514	27,601,736
Total	56,467,157	35,369,383
d) Key Management Compensation		

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Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Directors' emoluments	2,713,319	1,934,823
Compensation to Key Management	-	-
Total	2,713,319	1,934,823

34. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires a college to present segmental information of each geographic region or department to enable users understand the College's performance and allocation of resources to different segments)

35. Contingent Assets and Contingent Liabilities

Contingent Assets

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

Contingent Liabilities

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case - against (<i>The College</i>)	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

(Give details)

36. Capital Commitments

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

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the College but at the end of the year had not been contracted or those already contracted for and ongoing)

37. Events After The Reporting Period

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

38. Ultimate And Holding College

The College is a State Corporation under the Ministry of Education. Its ultimate parent is the Government of Kenya.

39. Currency

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

KONGONI TECHNICAL AND VOCATIONAL COLLEGE
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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Long Outstanding Receivables from Exchange Transactions.	It is true the college has long outstanding Receivables from exchange transactions. But its has put some measures in place to recover the debts.	Not resolved	FY 2026/2027
2.	Un attainment of the budgetary allocations.	It is true the college did not attain its budget due to financial constraints. The over and under absorption of 10% has been explained.	Not resolved	FY 2025/2026
3.	Non compliance with staff Ethnicity Requirements.	It is true the college failed to adhere to compliance with the law on staff Ethnic Diversity but it is striving to comply by placing job adverts widely	Not resolved	FY 2026/2027
4.	Long Outstanding Payables.	It is true the college has some long outstanding payables due to financial constraints. The college has put measures in place by servicing the accounts payables.	Resolved	
5.	Failure to insure college Assets.	It is true the college failed to insure the assets but it has put some	Not resolved	FY 2025/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		measures in place to insure assets progressively.		

Guidance Notes:

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

.....
J. Akaranga

Name: JUDITH AKARANGA
Accounting Officer

Date: *15/09/2025*



KONGONI TECHNICAL AND VOCATIONAL COLLEGE
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Appendix II: Projects Implemented by Kongoni Technical and Vocational College

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners.
 Kongoni Technical and Vocational College does not have any project in place.

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

Status of Projects completion

There were no project in is progress for the year under review.

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

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Appendix III- Inter-College Confirmation Letter
Kongoni Technical and Vocational college

The Ministry of Education wishes to confirm the amounts disbursed to you as at 30th June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Insert name of beneficiary College] as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
4624	28/02/2025	5,654,425	-	5,654,425	Fully allocated and utilised
4028	30/09/2024	1,782,925	-	1,782,925	Fully allocated and utilised
2878	27/07/2024	499,828	-	499,828	Fully utilised
Total		7,937,178		7,937,178	

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

Head of Accounts Department - Disbursing College:

Name Sign Date

Head of Accounts Department - Beneficiary College:

Name JUDITH AKARANGA Sign [Signature] Date 15/09/2025

PRINCIPAL
 KONGONI TECHNICAL AND
 VOCATIONAL COLLEGE
 Box 45-30205, MATUNDA

Date..... Sign.....

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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		

The college did not incur on Reporting of Climate Relevant Expenditure

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



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