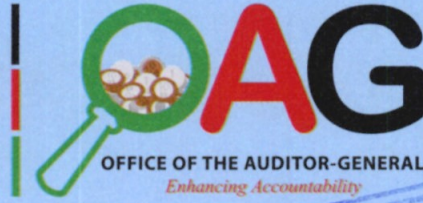
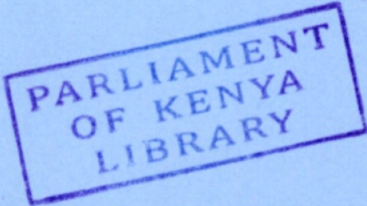
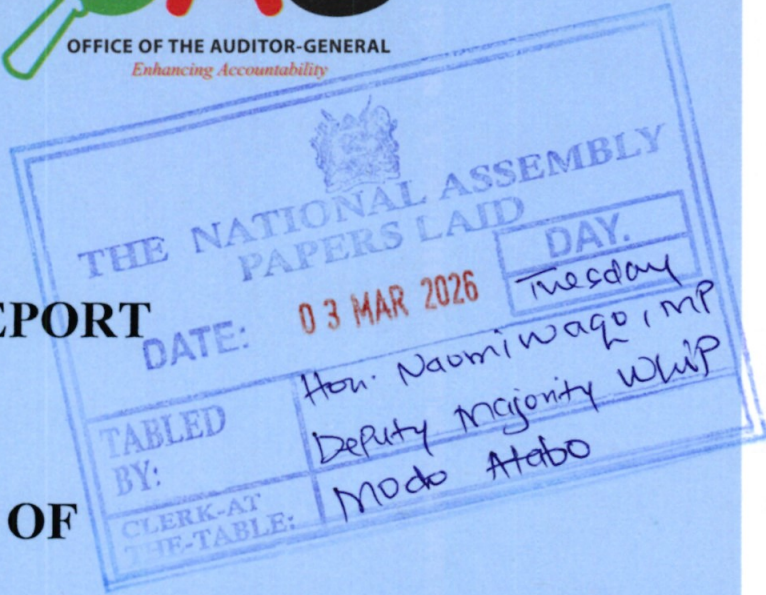


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

**WUMINGU TECHNICAL AND
VOCATIONAL COLLEGE**

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

RECEIVED
07 NOV 2025



WUMINGU 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)

(Leave page Blank)

Wumingu Technical and Vocational College

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

Table of Contents

1.	Acronyms and Definition of Key Terms.....	ii
2.	Key Entity Information and Management.....	iii
3.	The Board of Governors.....	vii
4.	Key Management Team	ix
5.	Chairman’s Statement	x
6.	Report of the Principal	xi
7.	Statement of Performance against Predetermined Objectives.....	xiii
8.	Corporate Governance Statement	xiv
9.	Management Discussion and Analysis.....	xvi
10.	Environmental And Sustainability Reporting Statement	xvii
11.	Report of the Board of Governors	xix
12.	Statement of Board of Governor Responsibilities	xx
13.	Report of the Independent Auditor Wumingu TVC	xxii
14.	Statement of Financial Performance For The Year Ended 30 June 2025	1
15.	Statement of Financial Position As At 30th June 2025	2
16.	Statement of Changes in Net Asset For The Year Ended 30 June 2025.....	3
17.	Statement of Cash Flows For The Year Ended 30 June 2025	4
18.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025.....	5
19.	Notes to the Financial Statements.....	7
26.	Appendices	39

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
TVET	Technical and Vocational Education and Training
TVETA	Technical and Vocational Education and Training Authority
WTVC	Wumingu Technical and Vocational College

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. **Key Entity Information and Management**

(customize as per your institution)

(a) **Background information**

Wumingu Technical and Vocational college is located in Wumingu Ward, Taita Sub-County, Taita Taveta County. It's on an eight (8) acre piece of land, situated on top of a hill in a serene and scenic part of Wundanyi constituency. It was founded in 2013 by the Government of Kenya as part of its effort to improve access to Technical Vocational Education and Training in every constituency in Kenya. Since its inception the college was fully equipped in mechatronics engineering ICT facilities.

WTVC started its operations in 2019 after having been officially registered by TVETA and licensed to offer four programs, namely Mechatronics Engineering Level 5 and 6 (CDACC examined), and Information Communication Technology craft and Diploma (KNEC examined). It had a population of 25 students and 8 trainers as at January 2023. The college is under the Ministry of Education.

(b) **Principal Activities**

The principal mandate of the entity is to facilitate the acquisition of high-quality technical skills and knowledge in line with the government policy so as to ensure that its graduates are of world class standards.

Vision

To be a centre of excellence in competence-based education and training.

Mission

To provide quality technical and vocational education and training to meet the changing demands of the society.

Core Values

- (i) Integrity
- (ii) Professionalism
- (iii) Teamwork
- (iv) Equity
- (v) Customer focus
- (vi) Innovation

Motto

Where innovation meets excellence

(c) **Key Management**

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

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

- Board of Governors
- Accounting officer
- Deputy Principal
- Registrar
- Dean of Trainees

(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	Peter Mwashighadi
2.	Deputy principal	Victor Makau
3	Registrar	Holiness Kazi
4	Dean of Trainees	Erick Kituri
5	Head of Finance	Nashon Mchemi

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

- Audit and risk committee activities

Review Annual reports and financial statements.

Review the Quarterly Internal Audit reports.

Review Internal Audit policies and risk management policies.

- Finance and human resource committee activities

Review draft Annual budgets and report to the full Board.

Review Annual reports and quarterly financial statements.

- Academic and research committee activities

Formulate, review and recommend academic policies for implementation

(f) Entity Headquarters

Wumingu Technical and Vocational College,

P.O. Box 1208-80304,

Funju, Werugha Mule Road,

Wundanyi, KENYA.

(g) Entity Contacts

Telephone: (+254714349072)

Email: wumingutvc@gmail.com

Website: www.wumingutvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank

Voi Branch

P.O. Box 137-80300,

Voi, Kenya.

(i) Independent Auditors

Auditor-General

Office of Auditor General

Anniversary Towers, Institute Way

P.O. Box 30084

GPO 00100






Nairobi, Kenya

Key Entity Information and Management (Continued)

(j) Principal Legal Adviser






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

3.The Board of Governors






SN.	Member/ Director	Details
1.	 Alexon Mwasi Ngongo	Name: Alexon Mwasi Ngongo D.O.B: 05/09/1975 Position: Executive Chairman of the Board Qualifications: M.Sc. Global B.A Community Development Work experience: Area programme manager World Vision Kenya
2.	 Rowney Ouma	Name: Rowney Ouma Webster D.O.B: 02/01/1992 Position: Executive Member of the Board Committee: Chairperson, Audit and Risk Qualifications: Bachelor's Degree in Business Management Work experience: Sales assistant Standard Media Group
3.	 Miliana Tuva	Name: Miliana Tuva D.O.B: 18/03/1974 Position: Executive Member of the Board Committee: Chairperson, Finance and Human Resource Qualifications: Bachelor of Business Administration in Finance and Banking Work experience: Working with Safaricom Ltd in-charge of stock at the retail centre and attainment of retail centre revenue target.
4.	 Mary Wanyika	Name: Mary Wanyika Wangio D.O.B: 02/11/1993 Position: Executive Member of the Board Committee: Member, Audit and Risk Qualifications: A Bachelor's Degree in Environmental Science Work experience: Community/ Engagement Development Officer at African Wildlife Foundation (AWF)
5.	 Peter Mwashighadi	Name: Peter Mwashighadi Position: Principal/Secretary to the Board of Governors Qualification: Master's Degree in Mechanical and Automotive Technology Work Experience: Worked at various positions at Taita Taveta National Polytechnic; a trainer, Head of Department. Not a member of ICS

Wumingu Technical and Vocational College

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

6.	 John Njathi	Name: John Njathi D.O.B: 18/08/1975 Position: Executive Member of the Board Committee: Member, Academic and Research Qualifications: Bachelor's Degree in Electrical and Electronics Engineering Work Experience: Working with Safaricom as Manager Network Optimization -Coast Region
7.	 Peter Mwangi	Name: Peter Mwangi D.O.B: 24/02/1966 Position: Independent Member of the Board and PS representative Committee: Member, Finance and Human Resource Qualifications: Master's Degree in education management Work experience: County Director TVET-Coast Region
8.	 Abderahman Abubakar Mohammed	Name: Abderahman Abubakar Mohammed D.O.B: 28/03/1987 Position: Executive Member of the Board Committee: Member Finance and Human Resource Qualifications: Bachelor of Engineering in Applied Mechanical Work experience: Field Service Manager (Davis and Shirtliff Mombasa)
9.	 Fredrick Mjomba	Name: Fredrick Mjomba D.O.B: 10/02/1976 Position: Independent Member of the Board Committee: Chairperson, Academic and Research Qualifications: PHD In Genetics Work Experience: Working at the Office of the Governor Taita Taveta
10.	 Samson Onchangwa	Name: Samson Onchangwa Moranga D.O.B: 06/06/1963 Position: Executive, Member of the Board Committee: Member, Audit and Risk Qualifications: Master's Degree in Commerce Work Experience: Retired Principal- Msambweni TVC

4. Key Management Team

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Peter Mwashighadi	Name: Peter Mwashighadi Position: Principal Qualification: Master's Degree in Mechanical and Automotive Technology
2.	 Victor Makau	Name: Victor Makau Position: Deputy Principal Qualification: Bachelor of Science in Mechanical Engineering.
3.	 Holiness Kazi	Name: Holiness Kazi Position: Registrar Qualification: Bachelor of Business Information Technology
4.	 Erick Kituri	Name: Erick Kituri Position: Dean of Trainees Qualification: Bachelor of Science in Civil Engineering.
5.	 Nashon Mchemi	Name: Mr. Nashon Mchemi, CPA Position: Finance officer. Qualifications: BCom (Finance option), CPA(K), Accountancy Diploma.

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

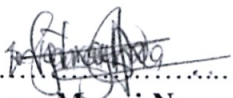
5. Chairman's Statement

On behalf of the College Board of Governors, I am pleased to present to you the Wumingu Technical and Vocational College Annual Reports and financial statements for the year ended 30th June 2025. During the period, the college continued to deliver on our core mandate of provision of quality technical education a land training (TVET), research and community outreach, that is market driven and well aligned with the big four agenda.

The government of Kenya has embarked on a comprehensive reform on technical and vocational training in order to develop highly skilled manpower to provide the technical skills needed by the industry. The national plans and other strategic priorities have consistently placed emphasis on development of skills that match the industry requirements. Wumingu TVC has aligned its strategic plan (2023-2028) with the vision 2030 and the BETA agenda of the government as outlined in the constitution of Kenya 2010. I recognize with much appreciation the critical role that TVET's play in building the foundation which will move this country to a fully industrialized economy.

During the FY 2024/2025, the College projected to focus on increasing student enrolment and improvement of infrastructure to support training/learning and research. In that spirit the college is working towards the introduction of a reliable internet access and automation which will ease training delivery.

Finally, I wish to acknowledge with gratitude the Government of Kenya, through the Ministry of Education for its goodwill and immense support to the college as it strives to implement its strategic goals and objectives. I also wish to appreciate the vital support that we have continued to receive from our students, staff and sponsors. The Board of Governors shall continue to provide the much-needed resources, advice and foresight to support the college and ensure it grows to the next level.



.....
Mr. Alexon Mwasi Ngongo
Chairman, Board of Governors

Date.....
21/11/2025

6. Report of the Principal

Dear Stakeholder,

Wumingu TVC has positioned itself as an institution of first choice in the training of highly skilled technical graduates in line with the institution's growth aspirations. Its strategic plan (2024-2028) has been aligned with the constitution of Kenya 2010, vision 2030 and the BETA agenda of the Kenya Kwanza Government. Our commitment is to provide quality technical and vocational education and training to meet the changing demands of the society.

The institution core values; integrity, professionalism, teamwork, customer focus, innovation and provision of equal opportunities for all have played a great role in realizing the Institution's dream of being a center of excellence in technical and vocational education and training.

Key projects

The institution is currently under the process of undertaking the Construction of the proposed hostel project and staff house, being funded by the AfDB through the Government of Kenya and the Wundanyi NG-CDF respectively. Staff housing undertaken by the NG-CDF was completed in this financial year.

Operational and Financial Performance

The College is committed to deliver on its key mandate to facilitate the acquisition of high-quality technical skills and knowledge in line with the government policy so as to ensure that its graduates are of world class standards.

The financial year 2024/2025 recorded a surplus of **Kshs8,370,181.00** This amount was as a result of expected revenue due to accrual reporting.

Compliance with Statutory Requirements

During the Financial Year under review, the institution complied with its statutory obligations including compliance with remittance of PAYE and NHIF, within the stipulated deadlines. However, the College had compliance issues for the year under review on the remittance of NSSF due to lack of funds and it was difficult to meet all its financial obligations. The institution mainly depends on grants, scholarship and capitation for its operation.

Major risks and challenges facing the institute

Wumingu TVC continues to face pressure on existing resources due to inadequate infrastructure such as inadequate workshops, ICT laboratories, classrooms and poor roads that has rendered access to the institution almost impossible especially during rainy seasons. Access to water and sanitary services is a major challenge facing the institution. Budgetary constraints have contributed to failure of projects including drilling of a borehole, sports facilities, construction of classrooms, laboratories and workshops, which are in dire need of funding to realize the aspired benefits.

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

Inadequate funds arising from failure by the government to remit capitation and scholarships on time contributed greatly in failure to achieve some of the budgetary plans for the year.

Future outlook

We look forward to harnessing our strategic plan (2024-2028) to guide the college's future developments, improve service delivery and achieve set goals and objectives. Our ultimate objective is to be a centre of excellence in Competence Based Education and Training.

The college registered with KUCCPS and HELB, a move that is aimed at increasing student enrolment and improve the institution rating. The college has a running website, Facebook and a YouTube channel to reach the targeted youthful audience. For this we anticipate an increase in student enrolment in the future, attain adequate staffing levels, teaching and non-teaching and improve learning infrastructure.

Conclusion

I take this opportunity to thank our stakeholders for their continued support and partnership in the realization of our mandate.

I commend the Board, Management and staff for their tireless efforts and commitment to the attainment of the institution goals. I am truly honoured to serve alongside you as we endeavour to redefine the role played by Wumingu TVC and TVETs and drive the institution towards realizing its vision, strategic goals and objectives.

On behalf of Board, Management, Staff and Students, I would like to appreciate the support accorded to Wumingu TVC by the GoK through The National Treasury & the Ministry of Education, State Department for Vocational and Technical Training. We look forward to your continued support and commitment.



.....
Mr. Peter M. Mwashighadi
Principal/Secretary BOG

Date: 5/11/2025.....

7. Statement of Performance against Predetermined Objectives

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

Wumingu Technical and Vocational college develops its annual work plans based on 4 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2024/2025 period for its 4 strategic pillars, as indicated in the table below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar1:	Human Resource Development	To improve human resource capacity	Number of additional BOG staff engaged.	Employ more BOG staff	Additional BOG staff employed.
Pillar2:	ICT	To fully integrate ICT in the Institute.	Number of ICT Equipment purchased and installed.	Installation of internet. Train staff on needs of ICT.	Internet installed
Pillar3:	Corporate image	To strengthen corporate image	Number of marketing programs implemented	Review and implement marketing plan.	Establishment of website. Registration with KUCCPS
Pillar4:	Education and training	New and modern methods of Training enhanced	Introduce modern ICT learning and training methods.	New modern methods of Training enhanced.	Modern Training techniques in progress such as online classes.

8. Corporate Governance Statement

Wumingu TVC is committed to the values and principles of good corporate governance as an integral part of corporate culture and guides the manner in which its Governors, management, staff and students conduct the business of the institution. As a public institution dedicated to providing quality service to its stake holders, the college decisions are guided by the core tenets prescribed in the Public Officers Ethics Act, The leadership and Integrity Act, The Authorities Code of Conduct, Corporate Governance Guidelines Board and Board Committee Charters. The college endeavours to develop, strengthen and sustain the trust that the Government, employees, students and general public has placed in it. The Board of Governors is committed to regular evaluation of national and international emerging standards in a responsible, transparent and efficient management, with a view of enhancing corporate governance at the institution and consistently deliver on its statutory mandate.

Role of the Board of Governors

The primary function of the Board of Governors is to provide effective strategic leadership and direction to enhance the long-term achievement of the college strategic plan. The strategic plan overall objective is to enhance the achievement of the college's objectives on priority basis and in line with the policies of the Ministry of Education (MOE), the Vision 2030 and the BETA agenda of the government.

The Board Size, Composition and Independence

The Board of Governors is made up of 9 members. Its composition draws a perfect mix of Qualifications, skills, experience, training and proficiencies in various fields.

Board Remunerations

The non-executive Board members earn sitting allowances for every meeting attended. Governance fees are paid to non-executive Board members who do not represent any Government institution.

Ethics and conduct

Board members are required to act with integrity, accountability, and professionalism, making collective decisions in compliance with laws and policies. They must avoid conflicts of interest, maintain confidentiality, and support institutional performance through policy direction, budget approval, and monitoring, while leaving daily management to the principal.

Terms and reference of committees

Board committees are required to operate under delegated authority from the Board to enhance efficiency. Their terms of reference of board committees include reviewing specific matters such as finance, audit, human resources, or infrastructure; providing expert advice; ensuring compliance with laws and policies; monitoring performance; and reporting recommendations to the Board for decision-making.

Communication Policy

The Board of a TVET institution oversees development and implementation of the communication policy to ensure effective internal and external information flow. It approves the policy framework, promotes transparency, and ensures communication aligns with institutional goals and government regulations. The Board also monitors adherence, guides stakeholder engagement, and upholds the institution's public image and accountability through consistent, accurate messaging.

Policy on Related Party Transactions

The Board ensures the policy on related party transactions promotes transparency, fairness, and accountability. It approves the policy framework, oversees identification and disclosure of related parties, and ensures transactions are conducted at arm's length and in the institution's best interest. The Board also monitors compliance to prevent conflicts of interest and misuse of institutional resources.

The Board had three committees constituted as follows:

	Name of the Committee	Members	Position
1	Finance and Human Resource Committee	- Milliana Tuva	Chairperson
		- Peter Mwangi	Member
		- Abderahman Abubakar Mohamed	Member
2	Academic and Research Committee	- Fredrick Mwamburi Mjomba	Chairperson
		- Peter Mwangi	Member
		- John Njenga Njathi	Member
3	Audit and risk Committee	- Rowney Webster Ouma	Chairperson
		- Samson Moranga Onchangwa	Member
		- Wanyika Wangio Mary	Member

Board members are appointed by the Ministry of Education and serve a maximum of two terms of three-year each. Board remuneration is in the form of sitting allowances for physical meeting attended and airtime for virtual meetings attended. Subsistence/Perdiem and transport allowances are paid depending on their geographical locations.

9. Management Discussion and Analysis

Wumingu Technical and Vocational College continues to be committed to deliver on its key mandate to facilitate the acquisition of high-quality technical skills and knowledge in line with the government policy so as to ensure that its graduates meet the changing demands of the work place. In line with the institution growth aspirations, the strategic plan (2024-2028) is aligned with the vision 2030, the BETA Agenda and other strategic priorities of the government as outlined in the constitution of Kenya 2010. The institution core values have played a great role in realizing the college dream of being a center of excellence in technical and vocational education and training.

During the Financial Year under review, the institution complied with its statutory obligations including compliance with remittance of PAYE and NHIF, within the stipulated deadlines. However, the College had compliance issues for the year under review on the remittance of NSSF due to lack of funds and it was difficult to meet all its financial obligations. The institution depends mainly on grants, capitation and scholarships for its operation.

Wumingu TVC continues to face pressure on existing resources due to inadequate infrastructure such as inadequate classrooms, workshops, ICT laboratories and poor roads that has rendered access to the institution almost impossible especially during rainy season. Access to water and sanitary services is a major challenge to the institution. Budgetary constraints have contributed to failure of projects including drilling of a borehole, sports facilities, construction of a classrooms, laboratories and workshops, which are in dire need of funding to realize the aspired benefits. Inadequate funds arising from failure by the government to remit grants, scholarships and capitation on time contributed greatly in failure to achieve some of the budgetary plans for the year.

We look forward to harnessing our strategic plan (2024-2028) to guide the institution future developments, improve service delivery and achieve set goals and objectives. Our ultimate objective is to be a center of excellence in technical and vocational education and training.

The institution registered with KUCCPS and HELB, a move that is aimed at increasing trainee enrolment and improve the institution rating. The college has a running website, Facebook and a YouTube channel to reach the targeted youthful audience. For this we anticipate an increase in trainee enrolment in the future, attain adequate staffing levels, teaching and non-teaching and improve learning infrastructure.

We take this opportunity to thank our stakeholders for their continued support and partnership in the realization of our mandate.

10. Environmental And Sustainability Reporting Statement

Wumingu TVC exists to change lives. This is our goal; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer first, delivering relevant technical and practical training, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

a) Sustainability strategy and profile

The management of Wumingu TVC through its Board of Governors is committed towards achieving sustainability in its operations. They have put in measures to ensure minimal interference and maximum focus towards achieving its strategic goals. The management has put in great strides to gain political goodwill that is vital for the existence, growth and expansion of the institution. There have been engagements with local leaders on issues affecting the institution.

b) Environmental performance

Wumingu TVC takes interest in environmental conservation and management. It boasts a strong section managing environmental conservation, engaging in activities such as tree planting activities at least once every term, an activity that brings on board both the management and the students.

The students also participate in tree planting and waste collection and management activities within the surrounding environments especially during the college community days in an attempt to speed up environmental conservation and keep the environment safe.

c) Employee welfare

The college has no human resource department due to budgetary constraints but works closely with the administration and board of directors to ensure quality staff additions to the institution. Staffs are hired on merit through a thorough recruitment process starting from the advertisements to short listing to interviews.

Marketplace practices

a) Responsible competition practice.

The college upholds the principles of fair competition as outlined in the constitution. We promote respect and integrity among our competitors to help build a collaborative and supportive business community where institutions can strive together.

We plan on engaging in strategic partnership, knowledge sharing and collective problem solving so as to enhance innovation and create resilience and interconnect with other institutions.

b) Responsible Supply chain and supplier relations.

The college has committed to maintain good working relationships with its creditors by ensuring equal and fair treatment when it comes to award of tenders. It also operates in line with the public

procurement laws. Creditors are paid on time following availability of funds. The creditors are however required to provide high quality goods and services.

c) Responsible marketing and advertisement

The college has continued to conduct extensive marketing of its services through social media sources. There has also been door to door distribution of brochures as it strives to have a personal touch with the outside community and clients. Prompt feedback and good customer relationships also enables the college to maintain a good relationship with its customers.

d) Product stewardship

The college offers high quality accredited academic programs and has highly qualified trained personnel. Students are given an equal opportunity to participate in sports, games and other extra-curricular activities. Staff are given an equal opportunity in their career advancements by attending seminars, workshops and trainings.

e) Corporate Social Responsibility /Community Engagements

In line with its mission and values, Wumingu TVC is sensitive to the impact of our activities on our trainees, employees, partners and other stakeholders, as well as on the community and its environment.

The College is committed to maintaining standards, respect and accountability across all its activities, including: treating employees fairly and with respect, support staff development through allowing staff to attend trainings and workshops, volunteering in community, county, and national government activities

The student council has a community day where students engage in cleaning exercises, digging trenches and tree planting within the surrounding during environmental days in coordination with partners such as Kenya forest Wundanyi.

The College purposes to continue collaborating with all stakeholders on issues that benefit the development of the country as well as giving back to the society. WTVC therefore shall continue to play its crucial role towards attainment of vision 2030 and the BETA Agenda as spelt out clearly in the Government priorities areas under the social, political and economic pillars.

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 Wumingu TVC affairs.

Principal activities

The principal activities of the entity is to facilitate the acquisition of quality technical and vocational education and training in line with the government policy so as to meet the changing demands of the society.

Results

The results of the entity for the year ended June 30 are set out on page 1

Board of Governors

The members of the Board /Council who served during the year are shown on page vii-viii.

Auditors

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

By Order of the Board



.....
Mr. Mwashighadi M. Peter
Secretary of the Board of Governors

Date:.....5/11/2025.....

12. Statement of Board of Governor Responsibilities

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

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

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

In preparing the financial statements, the Principal has assessed the Wumingu TVC ability to continue as a going concern.

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

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Wumingu Technical and Vocational College set out on pages 1 to 40, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Wumingu Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act No. 29 of 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Cash and Cash Equivalent Balance

The statement of financial position and as disclosed in Note 13 to the financial statements reflects cash and cash equivalents balance of Kshs.592,034. The amount is comprised of Kenya Commercial Bank Account balance of Kshs.499,606 and cash in hand of Kshs.92,428. However, review of the cashbook records noted the following;

- i. Cash receipts totaling Kshs.1,003,800 were omitted from the cash book records. The management explained that they relate to the period 2025 -2026 but no bank details was provided or cash book extracts for 2025/2026 as evidence of the same.
- ii. The statement of cashflow as at 30 June, 2025 reflects receipts and payments of Kshs.11,620,930 and Kshs.10,117,311 which differ with the cash book balances of Kshs.11,748,966 and Kshs.11,066,892 resulting in variances of Kshs.128,036 and Kshs.949,581 respectively. The differences were not explained or reconciled.
- iii. The cash book shows that Kshs.546,290.00 was received as cash. However, no evidence was provided to show if the amount was banked.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.592,034 could not be confirmed.

2. Undisclosed Land

The statement of financial position and Note 16 reflects property, plant and equipment (PPE) balance of Kshs.53,293,053. Included in PPE is Nil balance in respect to land. However, the college occupies a parcel of land measuring approximately 1.56 hectares. Failure to disclose value of land understates the property, plant and equipment balance.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.53,293,053 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Wumingu 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 budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.14,568,350 and Kshs.11,620,930 respectively, resulting to under-collection of Kshs.2,947,420 or 20% of the budget. However, the College spent a balance of Kshs.10,117,311 against actual receipts of Kshs.11,620,930 resulting to an under-utilization of Kshs.1,503,619 or 13 % of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Issues

In the prior year's audit report, several issues were raised under the Report on the Financial Statements, Report on Lawfulness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the College in 2024/2025 revealed that the following eleven (11) issues remained unresolved:

No.	Financial Year	Audit Issue
1.	2023/2024	Variances between comparative balances
2.	2023/2024	Inaccuracies of cash and cash equivalents
3.	2023/2024	Inaccurate property, plant and equipment balance
4.	2023/2024	Inaccuracy of current portion of accounts receivables
5.	2023/2024	Non-compliance with prescription on Board of Governors roles and responsibilities

6.	2023/2024	Non- Compliance with prescription on committee meetings
7.	2023/2024	Lack of an internal audit and effective audit committee
8.	2023/2024	Lack of Risk management policy
9.	2023/2024	Weak internal control of receipt books
10.	2023/2024	Lack of an approved staff establishment and salary structure
11.	2023/2024	Reliance on manual accounting system

Other Information

The Management is responsible for the Other Information set out on page iii to xxi which comprise of Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors, 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. Failure to prepare Quarterly reports

During the year under review, the College did not prepare a report for each quarter of the financial year contrary to Section 83 of the PFM Act, 2012 which requires the Accounting Officer of a National Government entity to prepare a quarterly report that contains information on the financial and non-financial performance of the entity; and

is in a form that complies with the standards prescribed and published by the Public Sector Accounting Standards Board from time to time. The College was also in violation of Treasury Circular No. 06/2016 dated 10 May, 2016 which requires submission of quarterly financial statements by public sector entities in accordance with the PFM Act, 2012.

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

2. Irregular Low Value Procurement of Goods and Services

The statement of financial performance and Note 8 reflects use of goods and services of Kshs.8,037,714. Included in the expenditure were expenses totalling Kshs.1,839,994 for purchases of teaching and learning materials, electricity and water connectivity, boarding, examination, catering, and administration costs. However, the expenses were above the threshold matrix of Kshs.50,000 for use of low value procurement method for goods and services. This is contrary to Regulation 92 (a) of the Public Procurement and Asset Disposal Regulations, 2020 which requires an entity to only use low value procurement method where the procurement falls under section 107(b) of the Act, where the estimated cost of the goods, works or services being procured per item per financial year is as per the threshold matrix in the Second Schedule.

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

3. Lack of an Approved Procurement Plan

Review of procurement and policy documents revealed that the College did not have an approved procurement plan for the year under review. This is contrary to Regulation 40(1) of the Public Procurement and Assets Disposal Regulations, 2020 that requires a procuring entity to prepare a procurement plan for each financial year as part of the annual budget preparation process. The College management was also in violation of regulation 40(4) of the procurement regulations that requires a consolidated procurement plan is prepared by the accounting officer of the procuring entity and approved by the Board of Governors.

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

4. Unremitted NSSF Deductions

The statement of financial performance and Note 9 reflect employee costs of Kshs.2,018,475. Included in the expenditure is Kshs.229,880 relating to unremitted NSSF deductions and as disclosed in Note 18 to the financial statements. Management was therefore in violation of Section 53A. (1) of the retirement benefits Act, 2012 that requires the employer to remit the NSSF dues within fifteen days of the deduction, failure of which it mandates the scheme, after giving such employer not less than seven days' notice, institute proceedings for the recovery of the deduction.

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. Incomplete Fixed Assets Register

Records provided for audit revealed that the College did not maintain an updated asset register. This is contrary to Regulation 143 of Public Finance Management (National Government) Regulations, 2015 which prescribes that the Accounting Officer to be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

2. Lack of an Offsite Data Backup

The College uses ERP software for management of students, finance and accounts management, academics, human resource and payroll management, asset management, procurement and inventory, work flow management, communication management, library management and staff portal/app. However, the College did not maintain an offsite data backup for use in cases of disaster contrary to section 68 (2) (c) of the Public Finance Management Act, 2012 that requires Accounting Officers ensure that all financial and accounting records the entity keeps in any form, including in electronic form are adequately protected and backed up.

In the circumstances, the College was at risk of loss of data in an event of disaster.

3. Lack of Approved Staff Establishment and Salary Structure

Review of human resource records, revealed the College carried out various human resource functions such as recruitment, selection, appointment, and employee management. However, the College lacked an approved staff establishment to guide on the vacancies for appointments, and planning on employee development. Further it did not have an approved salary structure to determine the compensation rates due to the BOG employees.

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, SBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

In the circumstances, the effectiveness of internal controls over personnel emoluments 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 those Charged with Governance.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

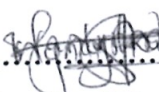
My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable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

Wumingu 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

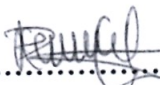
Description	Notes	2024-2025	2023-2024
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	3,010,685	3,380,740
Revenue from Exchange transactions			
Rendering of services- fees from students	7	18,140,944	4,632,334
Revenue from Exchange transactions		18,140,944	4,632,334
Total Revenue		21,151,630	8,013,074
Expenses			
Use of goods and services	8	8,037,714	4,238,465
Employee costs	9	2,018,475	1,109,567
Board /Council Expenses	10	217,000	238,728
Represented by and amortization expense	11	1,556,427	1,028,085
Repairs and maintenance	12	1,003,981	244,907
Total Expenses		12,833,597	6,859,752
Net surplus/(deficit) for the year		8,318,033	1,153,323

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



Chairman of Board

Date 5/11/2025



Principal

Date 5/11/2025



Finance Officer

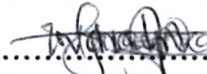
ICPAK No 25495
 Date 5/11/2025

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

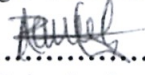
15. Statement of Financial Position As At 30th June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	13	592,034	(123,324)
Current portion of receivables from exchange transactions	14(a)	14,736,188	4,693,087
Receivables from non-exchange transactions	15	-	500,000
Total Current Assets		15,328,222	5,069,763
Non-Current Assets			
Property, plant, and equipment	16	53,293,053	50,376,157
Intangible Assets	17	116,058	
Total Non-Current Assets		53,409,111	50,376,157
Total Assets (A)		68,737,333	55,445,919
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	18	1,494,368	334,509
Refundable deposits from customers	19	20,600	8,200
Total non-current liabilities		1,514,968	342,709
Total Liabilities (B)		1,514,968	342,709
Net Assets (A-B)		67,222,365	55,103,210
Represented By:			
Reserves		56,254,429	52,453,308
Accumulated Surplus		10,967,935	2,649,902
Capital Fund		-	-
Net Assets		67,222,364	55,103,210

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



 Chairman of Board



 Principal



 Finance Officer

Date 5/11/2025

Date 5/11/2025

ICPAK No 25495
 Date 5/11/2025

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

Description	Capital reserve	Accumulated Fund	Capital	Total
			Grants/Fund	
At July 1, 2022	52,453,308	113,172	-	52,566,480
Revaluation gain				
Surplus/(deficit) for the year	-	1,383,408		1,383,408
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings	-		-	-
At June 30, 2023	52,453,308	1,496,580	-	53,949,887
At July 1, 2023	52,453,308	1,496,580	-	53,949,887
Revaluation gain				
Surplus/(deficit) for the year	-	1,153,323	-	1,153,323
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings	-		-	-
At June 30, 2024	52,453,308	2,649,902	-	55,103,210
At July 1, 2024	52,453,308	2,649,902	-	55,103,210
Revaluation gain	3,801,121		-	3,801,121
Surplus/(deficit) for the year	-	8,318,033	-	8,318,033
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings	-		-	-
At June 30, 2025	56,254,429	10,967,935	-	67,222,364

Wumingu 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		2024-2025	2023-2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		2,499,655	2,880,740
Rendering of services- fees from students		9,121,275	2,496,738
Total Receipts		11,620,930	5,377,478
Payments			
Use of goods and services		7,107,735	3,968,404
Employee costs		1,788,595	1,049,981
Board /Council Expenses		217,000	238,728
Repairs and maintenance		1,003,981	244,907
Total Payments		10,117,311	5,502,020
Net Cash Flows from operating activities	20	1,503,619	(124,542)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		788,260	-
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		788,260	-
Net Increase/(Decrease) in Cash and Cash equivalents		715,359	(124,542)
Cash and Cash equivalents at 1 JULY 2024	13	(123,324)	1,217
Cash and Cash equivalents at 30 JUNE 2025	13	592,034	(123,324)

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	
Revenue							
Transfers from other National Government entities	2,000,000		2,000,000	2,499,655	(499,655)	-24.98	a
Rendering of services- fees from students	12,568,350		12,568,350	9,121,275	3,447,075	27.43	b
Total Income	14,568,350		14,568,350	11,620,930	2,947,420	20.23	
Expenses							
Use of goods and services	10,513,560		10,513,560	7,107,735	3,405,825	32.39	c
Employee costs	2,575,200		2,575,200	1,788,595	786,605	30.55	d
Board /Council Expenses	520,000		520,000	217,000	303,000	58.27	e
Repairs and maintenance	959,590		959,590	1,003,981	(44,391)	-4.63	
Total Expenditure	14,568,350		14,568,350	10,117,311	4,451,039	30.55	
Surplus For the Period	-		-	1,503,619	(1,503,619)		
Capital Expenditure				-		-	

Budget notes

- The KES2,000,000.00 is recurrent grant and the balance KES499,655 is fourth quarter grant for the previous FY2023-2024
- There was an increase in number of students, however HELB loan and bursaries were not forthcoming

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

- c. The institution spent according to the available funds
- d. The institution received trainers from PSC and therefore relieve some BOG trainers. Additionally, some of our trainers were converted from BOG to PSC and remained in the institution
- e. We did not hold meeting. Some of the meetings were postponed due to lack of funds

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	1,503,619
1	We had a negative opening cash and cash equivalent of KES123,324.00 and we purchased PPEs and Intangible Asset of KES788,260.00	911,585
	Closing Cash and Cash Equivalent as per the statement of Cash flows	592,034

19. Notes to the Financial Statements

1. General Information

Wumingu TVC entity is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is provision of Technical 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 Wumingu TVC 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 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Wumingu TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations 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 30th June 2024.

Standard	Effective date and impact:
<p>IPSAS 43: Leases</p>	<p>Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p>Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol 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.

	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <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 an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
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> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

Wumingu TVC did not early – adopt any new or amended standards in the financial year 2024/2025

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

c) Taxes

Current income tax

The Wumingu TVC is exempt from paying taxes.

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. 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.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful life, using the following annual rates:

Item Rates (in policy)

Motor vehicle 25%

Building 2.5% reducing method

Plant, Machinery & equip 12.5%

Furniture 12.5%

Computers 33.3%

Intangible Assets 33.3%

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future

minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

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 Wumingu TVC does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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 Wumingu TVC.

l) Provisions

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

m) Social Benefits

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

n) Nature and purpose of reserves

The Wumingu TVC creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

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 Wumingu TVC regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members

of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

t) Service concession arrangements

The Wumingu TVC 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 Wumingu TVC recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Wumingu TVC 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 Wumingu TVC financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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. Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	218,200	406,500
Operational Grant	1,999,655	2,000,000
Scholarship	792,830	974,240
Other Grants	-	-
Total unconditional Grants	-	-
Total Government Grants and Subsidies	3,010,685	3,380,740

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending the Grant	Amount recognized to Statement of Financial performance*	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023-2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Technical and Vocational Training	3,010,685	-	-	3,010,685	3,380,740
Total	3,010,685	-	-	3,010,685	3,380,740

7. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Tuition Fees	8,759,843	2,035,094
Activity Fees	1,180,800	412,800
Industrial Attachment Fees (I.A.M.I)	12,000	14,000
Examination Fees	547,450	83,000
Local Transport and Travel	1,033,200	361,200
Electricity Water and Conservancy	976,620	341,420
Boarding Fees	868,264	39,000
Catering Services	469,967	42,372
Registration Fees	47,300	31,300
Repair and Maintenance	984,000	344,000
Students ID	20,400	3,300
personal emolument	2,583,000	903,000
Refreshments	-	5,349
KUCCPS	87,500	13,500
Trainees Welfare	13,600	
Mentor	557,000	
Packages	-	3,000
Total Revenue from The Rendering of Services	18,140,944	4,632,334

8. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
TLM	487,562	369,770
E.W.C	794,687	167,652
Activity	303,217	322,639
Seminars and Subscriptions	70,096	119,032
Marketing	353,530	194,480
Examination fees	943,607	358,526
Catering, conferences, and delegations	832,995	185,739
Travelling and accommodation	1,800,439	1,648,565
Printing and stationery	175,672	65,226
Admin Cost	1,798,670	536,656
Permanent Equipment	-	45,600
B.E.S	212,813	87,530
Bursary Refund	-	114,000
KUCCPS	256,500	12,000
I.A.M.I	7,926	11,050
Total good and services	8,037,714	4,238,465

9. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	2,018,475	1,109,567
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Overtime payments	-	-
Employee Costs	2,018,475	1,109,567

10. Board Expenses

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
BoG Allowances	217,000	238,728
Other Board/Council Expenses	-	-
Total	217,000	238,728

11. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Property, plant and equipment	1,498,485	1,028,085
Intangible assets	57,942	-
Investment property carried at cost	-	-
Total depreciation and amortization	1,556,427	1,028,085

12. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
Property	1,003,981	244,907
Equipment and machinery	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Total Repairs and Maintenance	1,003,981	244,907

13. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Ksh	Kshs
Current Account	499,606	(182,468)
mobile money account	-	-
cash in hand	92,428	59,144
Total Cash and Cash Equivalents	592,034	(123,324)

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

Financial Institution		2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1277205833	499,606	(182,468)
Sub- Total		499,606	(182,468)
b) Others (Specify)			
Cash in Hand		92,428	59,144
Mobile Money account		-	-
Sub- Total		92,428	59,144
Grand Total		592,034	(123,324)

14. Receivables from Exchange transactions

14 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	14,736,188	4,693,087
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	-	-
Total Current Receivables	14,736,188	4,693,087

14 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Current FY	% of the total
Less than 1 year	10,719,101	72.74	2,420,797	51.58
Over 3 years	4,017,087	27.26	2,272,290	48.42
Total (a+b)	14,736,188	100	4,693,087	100

15. Receivables from non-Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	500,000	500,000
Transfers from Other Govt. entities	(500,000)	
Undisbursed Donor Funds		
Other Debtors (Non-Exchange Transactions)		
Less: Impairment Allowance	-	
Total Current Receivables	-	500,000

Receivables on capitation grants are recognised for monies received after year end but relating to the year under review.

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

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the total	Current FY	% of the total
Less than 1 year	-	0	500,000	100
Between 1- 2 years	-	100	0	
Total	-		500,000	100

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

16. Property, Plant and Equipment

Coast	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and Equipment	Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		0.025		0.125	0.333	0.125		
At 1 July 2021	-	52,453,308	-	-	-	-	-	52,453,308
Depreciation	-	(1,049,066)	-	-	-	-	-	(1,049,066)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2023	-	51,404,242	-	-	-	-	-	51,404,242
At 1 July 2023	-	51,404,242	-	-	-	-	-	51,404,242
Depreciation	-	(1,028,085)	-	-	-	-	-	(1,028,085)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2024	-	50,376,157	-	-	-	-	-	50,376,157
At 1 July 2024	-	50,376,157	-	-	-	-	-	50,376,157
Addition	-	3,601,121	-	524,000	227,260	63,000	-	4,415,381
Depreciation	-	(1,349,432)	-	(65,500)	(75,678)	(7,875)	-	(1,498,485)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2025	-	52,627,846	-	458,500	151,582	55,125	-	53,293,053

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). These amounts were adopted in the financial statements on contract sums.

16 (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	-	-	-
Buildings	56,054,429	(3,426,583)	52,627,846
Plant And Machinery	63,000	(7,875)	55,125
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	227,260	(75,678)	151,582
Office Equipment, Furniture, And Fittings	524,000	(65,500)	458,500
Total	56,868,689	(3,575,636)	53,293,053

17. Intangible Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Cost	174,000	-
At beginning of the year		
Additions	-	-
At end of the year	174,000	-
Additions—internal development	-	-
At end of the year	174,000	-
Amortization and impairment	(57,942)	-
At beginning of the year	116,058	-
Amortization	-	-
At end of the year	116,058	-
Impairment loss	-	-
At end of the year	116,058	-
NBV	116,058	-

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

18. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables 2024	334,509		4,861	
Payment during the year	(130,722)		(4,861)	
Trade payables 2025	1,060,701		274,923	
Other Payables-NSSF	229,880		59,586	
Total Trade and Other Payables	1,494,368		334,509	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	1,060,701	70.98	334,509	100
1-2 years	433,667	29.02		
2-3 years	-			
Over 3 years	-	0	-	0
Total (to tie to totals above)	1,494,368	100	334,509	100

19. Refundable Deposits from Customers/Students

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Caution money balance c/d	8,200		1,500	
Received during the year	12,400		6,700	
Other refundable deposits	-		-	
Total Deposits	20,600		8,200	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	12,400	60.19	6,700	81.71
1-2 years	8,200	39.81	1,500	18.29
2-3 years	-	0		
Over 3 years	-	0	-	0
Total (to tie to totals deposits above)	20,600	100	8200	100

20. Cash generated from operations.

Surplus for the year before tax	2024-2025	2023-2024
	Kshs	Kshs
Adjusted for:	8,370,181	2,534,063
Depreciation	1,504,279	1,028,085
Working Capital Adjustments		
Increase in Inventory	-	-
Increase in Receivables	(9,543,101)	(4,023,037)
Increase in Payables	1,172,259	336,348
Net Cash Flow from Operating Activities	1,503,618	(124,541)

21. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Receivables from exchange transactions	4,693,087	-	-	-
Receivables from non-exchange transactions	500,000	-	-	-
Bank balances	(123,324)	-	-	-
Total	5,069,763	-	-	-
At 30 June 2025				
Receivables from exchange transactions	14,736,188	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	592,034	-	-	-
Total	15,328,222	-	-	-

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

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	-	-	334,509	334,509
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	334,509	334,509
At 30 June 2025				-
Trade Payables	-	-	1,494,368	1,494,368
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	1,494,368	1,494,368

(iii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

a) Foreign currency risk

The entity has 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 entity'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 20XX			
Financial Assets (Investments, Cash, Debtors)			
Liabilities			
Trade and Other Payables			
Borrowings			
Net Foreign Currency Asset/(Liability)			

The entity 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
20xx			
Euro	10%	xxx	xxx
Usd	10%	xxx	xxx
20xx			
Euro	10%	xxx	xxx
Usd	10%	xxx	xxx

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20XX: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20XX – Kshs xxx)

iv) Capital Risk Management

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	56,254,429	52,453,308
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	592,034	(123,324)
Net Debt/(Excess Cash and Cash Equivalents)		
Gearing		

22. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	2024-2025	2023-2024
	Kshs	Kshs
B) Purchases from related parties		
Purchases of electricity from KPLC		
Purchase of water from govt service providers		
Total		
a) Grants /Transfers from the Government		
Grants from National Govt		
Total		
b) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for xx Employees		
Payments for Goods and Services for XX		
Total		
c) Key Management Compensation		
Directors' emoluments		
Total		

23. Events After The Reporting Period

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

24. Ultimate And Holding Entity

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

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

25. Currency

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

26. 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	Variance Between Comparative Balance	Management acknowledges the findings	Resolved	
2	Inaccuracy of cash and cash equivalent	Management acknowledges the findings	Resolved	
3	Inaccurate Property, plant and equipment Balance	Management acknowledges the findings	Not resolved	
4	Inaccuracy of current portion of accounts receivables	Management acknowledges the findings		
1	Non-compliance with prescription on Board of Governors roles and responsibilities	The management agrees with the findings	Not Resolved	Third quarter of financial year 2025/2026
2	Non-Compliance with Prescription on Committees Meetings	The management agrees with the findings; however, committee meeting require funds as such depends on availability of funds		
1	Lack of internal audit and effective audit committee	The management agrees with the findings; The institution will employ an internal auditor once funds are available. Currently we are engaging our mentor institution.		

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

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)
2	Lack of risk management policy	The management agrees with the findings,	Not resolved	Third quarter of financial year 2025/2026
3	Weak Internal Controls of Receipt books	The management agrees with the findings	Resolved	
4	Lack of an Approved Staff Establishment and Salary Structure	The management agrees with the findings	Not Resolved	Fourth quarter of financial year 2025/2026
5	Reliance on Manual Accounting System	The management agrees with the findings	Resolved	

Guidance Notes:

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



Name: **MWASHTIGABO, PETER**
Principal/Secretary to the BOG
Wumingu TVC
Date: **5/11/2025**

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

Appendix III- Inter-Entity Confirmation Letter



MINISTRY OF EDUCATION, STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING

WUMINGU TECHNICAL AND VOCATIONAL COLLEGE

P.O Box 1208-80304 WUNDANYI, Tel: +254714349072
Email: wumingutvc@gmail.com Website: www.wumingutvc.ac.ke
TAITA TAVETA COUNTY



Confirmation of amounts received by Wumingu Technical and Vocational College as at 30th June 2025

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT24264WKFR5	20 th Sept 2024	40,313.40		40,313.40	
FT24264PKJYQ	20 th Sept 2024	497,198.60		497,198.60	
FT24264CGX6B	20 th Sept 2024	255,318.20		255,318.20	
FT242675TD0F	23 rd Sept 2024	49,200.00		49,200.00	
FT24276Y5XHS	2 nd Oct 2024	499,827.50		499,827.50	
FT25045S3N5C	14 th Feb 2025	169,000.00		169,000.00	
FT25021HPKZD	21 st Jan 2025	499,827.50		499,827.50	
FT25155KN8FC	4 th June 2025	500,000.00		500,000.00	
FT25168LPT0W	17 th June 2025	500,000.00		500,000.00	
Total				3,010,685.20	

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

Head of Accounts Department - Disbursing Entity:

Name Nashon Nchem Sign [Signature] Date..... 5/11/2025