


REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 APR 2026	DAY: <u>Thursday</u>
TABLED BY:	<u>Leader of the majority Party</u>
CLERK-AT THE-TABLE:	<u>Kunda-T.</u>

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**KIMASIAN TECHNICAL AND VOCATIONAL
COLLEGE**

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





(Kimasian 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)

Kimasian Technical and Vocational College
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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
CSR	Corporate Social Responsibility
NBV	Net Book Value

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with Kimasi TVC's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Kimasian TVC was incorporated/ established under the TVET Act on 11th/4/2018 upon its completion in late 2017. Kimasian TVC is domiciled in Kenya. The institute is under the Ministry of Education.

H.E The Deputy President of the Republic of Kenya Dr. Hon. William Samoei Ruto laid Kimasian Technical and Vocational College foundation stone on 22/3/2014. The College was constructed using funds from the Government on a 30 acre piece of land donated by the County Government of Kericho under the mentor ship of Kaiboi Technical Training Institute.

The College received state of art welding and fabrication equipment from China in January 2018 and is a Centre of excellence in the same trade area. There are a total of eight different courses accredited by TVETA offered at different levels and we expect to roll out more in the next five years. All the courses offered are market driven and it is our desire to bridge the skill gaps currently being experienced in the country through effective curriculum implementation and ICT integration in training

(b) Principal Activities

The core mandate of Kimasian TVC is to provide Technical and Vocational Education and Training under the Ministry of Education

Vision

To be a Centre of Excellence in Vocational and Technical Training and a point of reference in quality welding and fabrication in Kenya.

Mission

To provide quality and relevant training in research, technology, innovation and entrepreneurial skills necessary for self-reliance and enhanced quality of life.

Core Values

Kimasian Technical and Vocational College (KIMTVC) is committed to and will be identified by the following core values.

- i) Integrity
- ii) Professionalism
- iii) Transparency & Accountability
- iv) Team work
- v) Efficiency and Effectiveness
- vi) Equity and Fairness

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Principal Mandate and Functions

The College has outlined its mandate as provided for by the TVET Act of 2013, TVET strategy and reforms as follows:

- i) Offer TVET training
- ii) Prepare and guide trainees for evaluation and certification by the appropriate examining bodies
- iii) To promote science, technology and innovation in all training programs
- iv) To nurture trainees talent in different capacities

The specific mandate of the Colleges provided for by the TVET Act, TVET Strategy and reforms are;

Offering Technical training,
Prepare and guide trainees for evaluation and certification by appropriate examining bodies
Promoting Research, Science, Technology and Innovation in all its training programs.

Core Functions

The core functions of the College include:

- i) Implementation of TVET curriculum and approved programmes.
- ii) Supervision, monitoring and evaluation of programmes.
- iii) Strengthen linkages between the College and the community as well as the industry.
- iv) Diversification of income generating activities and optimization of available resources.
- v) Formulation, reviewing and co-ordination of College policies.
- vi) Promote Cooperate Social Responsibility (CSR).

(c) Key Management

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

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

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Coory Kipkemboi
2.	Deputy principal Administration	Paul Chepkwony
3	Deputy principal Academics	Julius Rotich
4	Registrar	John Biwott
5	Dean of students	Betty Kipchumba
6	Head of Finance	Miriam Chelangat
7	Head of Procurement	Kerir Kipkoech

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(e) Fiduciary Oversight Arrangements

Internal Audit and Risk Management committee activities:

- Carry out audit in the College on quarterly basis
- Scrutinize financial reports before submission to ascertain authenticity
- Submit committee and financial reports to the Board with recommendations on mitigation measures

Finance Management committee activities:

- Oversee preparation of College budget in consultation with departments and present to the Board
- Monitor financial spending of the College and report on quarterly basis to the Board
- Mobilize resources to implement College projects and activities
- Propose recommendations to address financial challenges in the College.

Technical (Education, Training, HRM and Projects) committee activities:

- Carry out planning on curriculum implementation in their respective departments
- Ensure implementation of curriculum activities as stipulated in the 'curriculum implementation manual'
- Prepare budgets for academic departments and submit to the Principal for preparation of grand College budget.
- Make recommendations to the Principal on improvement of service delivery within their respective departments.
- Development partner oversight activities
- Verification of information relating to funding activities for the College
- Ensure official documentation of funds to the College
- Auditing of development funds to the College on regular basis
- Opening of development account(s) with development partner(s) to monitor use of development funds.

Other oversight activities:

-**MOE**-Require the College to submit student returns regularly to the Ministry to account for capitation and beneficiaries

-**HELB**- Monitor disbursement and absorption of funds to the College through returns and visits to the College

Oversight organ that held office during the financial year ending 30th June 2025 is presented in the table 1

I: BOG oversight organ

S/No.	Name of the Sub-committee	Member
1	Finance Management	1. Caliph Sigei- Chairman 2. Hulder Moraa- Member 3. Peter Cheruiyot- County Director TVET

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2	Technical (Education, Training, HRM and Projects)	1.Jorim Okeyo Guya - Chairman 2.Abraham Langat-Member
3	Internal Audit & Risk Management	1.Josephine Kirimi – Chairperson 2.Judith Maosa-Member

(f) Entity Headquarters

Kimasian Technical and Vocational College
P.O. Box 1149 - 20200
Nakuru-Kericho Highway
KERICHO, KENYA

(g) Entity Contacts

Telephone: (254) 748 186 340
E-mail: kimasiantvc@gmail.com,
Website: www.kimasiantvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Londiani Branch
P. O. Box 218 - 20203
Londiani

(i) Independent Auditors




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

(j) Principal Legal Adviser




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

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3.The Board of Governors

<i>SN.</i>	<i>Member/Director</i>	<i>Details</i>
 1. Eng Richard Chepkwony MBS	BOG Chairperson	Qualifications: Msc. in Forest Industries Technology BEng. in Civil Engineering Consulting Civil Engineer
 2. Josephine Kiriimi	Internal Audit & Risk Management sub-committee -Chair.	Qualifications: Master in Business Administration Bachelor of Commerce (Accounting Option) Certified Public Accountant of Kenya Certified Internal Audit Quality Assessor
 3. Jorim Okeyo Guya	Technical sub-committee (Education, Training HRM and projects)- Chair.	D.O.B: 20/9/1958 Qualifications: Bed(Hon) Education Management. Diploma in Technical Education. HND in Electrical Engineering (Power Option).



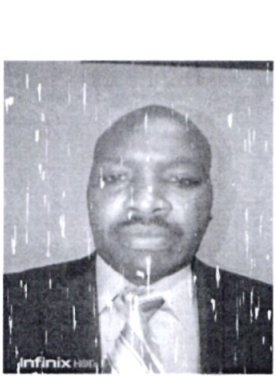
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		<p>Diploma in Electrical Engineering (Power Option).</p> <p>Work Experience: 31 years as a teacher and as an Administrator in a TVET Institution.</p>
 <p>4. Judith Maosa</p>	BOG Member	<p>Qualifications:</p> <p>MA of Business Administration- Procurement & Supply Chain Management</p> <p>Bsc in Agriculture (Crop Science)</p>
 <p>5. Hulder Moraa Okangi</p>	BOG Member.	<p>D.O B: 31/08/1982</p> <p>Qualifications:</p> <p>Bachelor of Science in Biochemical and Processing Engineering.</p> <p>Work Experience: 16 years in the industry in different capacity.</p>
 <p>6. Sigei Caliph.</p>	Finance Management committee-Chair	<p>D.O.B: 01/11/1974</p> <p>Bachelor of Science in Computer Information Systems.</p> <p>Diploma in Computer Studies.</p> <p>Work Experience: 26 years in the Private Sector.</p>





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 <p>7. Abraham Langat</p>	<p>BOG Member.</p>	<p>Qualifications:</p> <p>Doctor of Philosophy in Strategic Management</p>
 <p>8. Coory Kipkemboi</p>	<p>Principal/BOG Secretary.</p>	<p>Qualifications:</p> <p>Bachelor of Education</p> <p>Master of Arts Applied Linguistics</p>
 <p>9. PETER CHERUIYOT COUNTY DIRECTOR- TVET</p>	<p>PS REPRESENTATIVE/BOG MEMBER</p>	<p>DOB: 08/08/1972</p> <p>Qualifications:</p> <p>Masters of Philosophy Education Administration and Planning.</p> <p>Qualifications: 24 years in TVET sector</p>

4. Key Management Team

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Coory Kipkemboi	<p>Principal/BOG Secretary.</p> <p>Bachelor of Education Master of Arts Applied Linguistics</p>
2.	 Paul Chepkwony	<p>Deputy Principal-Administration</p> <p>Bachelor of Education Technology(Electrical Engineering)</p>
3.	 Julius Rotich	<p>Deputy Principal-Academics</p> <p>BSc in Automotive Engineering</p>

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4.	 John Biwott	<p>Ag. Registrar</p> <p>Bachelor of Education Technology(Mechanical Engineering)</p>
5.	 Betty Kipchumba	<p>Ag. Dean of Students</p> <p>Diploma in Technical Education. Diploma in Mechanical Engineering(production) Bsc Mechanical Engineering(production)</p>
6.	 Miriam Chelangat	<p>Accountant</p> <p>BSC Economics and Statistics CPA1</p>
7.	 Kipkoech Korir	<p>Procurement Officer</p> <p>BSC Business Administration with IT (Supply Chain Management Option)</p>

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5. Chairman's Statement

It is with great pleasure that I take this opportunity to present the Kimasian Technical and Vocational College (KIMTVC) report and financial statements for the period which ended on 30th June 2025. In the report you will be able to find all the required information pertaining to this report.

During this period so many key activities took place in the College. The current Board was inaugurated on 5th May 2023. During the financial year 2024/2025 a total of four full Board meetings took place and sub-committee meetings. During the meetings several policies developed by the college were approved for implementation alongside quarterly financial reports which were also submitted to the respective Government offices. The board was also able to oversee procurement and management of training equipment and general college assets.

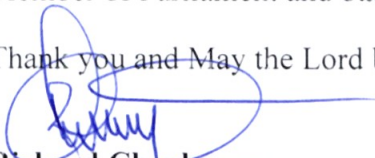
The Board acknowledges the role played by all the academic staff in conducting training and the board continues to support them whenever called to do so. It is the responsibility of the Board to mobilize resources and oversee the utilization to serve the purpose effectively and efficiently. The board envisages to promote the Technical and Vocational Education and Training having been identified by the Government as a key enabler to the country's economic transformation. In this regard the Board is working keenly with all the College staff to ensure that programmes offered are market demand driven and are implemented in the best way so as to enable the trainees acquire the necessary relevant skills and knowledge so as to become self-reliant responsible citizens wherever they will be post Kimasian TVC.

The Board in conjunction with other stake holders has tried to provide an enabling and friendly environment that will enhance delivery of quality TVET programmes for sustainable development of Kenya and beyond. The board members also endeavour to use their expertise to make the college a better place to work and learn in.

The college has been experiencing challenges such as shortages of classrooms, science laboratory, workshops, student hostels and consistent water supply which has deterred the College to achieve its core mandates as planned in the 2020-2025 Strategic Plan. The way forward for the college is to enhance collaborations with various development partners notably the neighbouring tea industries, NG-CDF Kipkelion East, the County Government of Kericho and the National Government to consider giving grants of any nature to the college. Young institutions like Kimasian TVC need financial support to enable them meet their financial obligations with minimum hiccups. The Government through KUCCPS should consider posting several students to young institutions to increase their revenue collection and also optimize the use of equipment donated to the young colleges by the Government.

Finally, on behalf of the entire Board, I wish to thank the Government of Kenya, the area Member of Parliament and other partners for their continued financial support.

Thank you and May the Lord bless all of you.


Richard Chepkwony
BOARD CHAIRMAN

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6. Report of the Principal

Kimasian Technical and Vocational College is a public TVET institution registered by TVETA in 2018 and started its operations in March 2019 under the mentorship of Kaiboi Technical Training Institute. The college has since been able to operate on its own though with challenges. We have been submitting financial statements since 2019/2020 and are proud to submit the sixth Financial Statements for your kind attention.

The college has established eight academic departments with a current enrolment of 1,029 pursuing different courses in the respective academic departments at different levels namely Levels 6, 5, and 4. In September 2023 the BOGs approved the introduction of twenty three Competency Based Education and Training (CBET) courses across the eight academic departments and additional 4 courses in 2024 in compliance to a directive given by the Principal Secretary State Department for TVET in August 2023. This directive was aimed at having all TVET institutions churn out graduates who are competent and hands-on who can readily fit in the local job market and surplus exported to countries where the Government has signed bilateral agreements to export labour force.

Looking at the college enrolment it does not replicate the target in the college 2020-2025 Strategic Plan objective and we attribute this to the several challenges the college has been experiencing and the tough economic situation in the country making several youths not be able to register and study at Kimasian TVC. Despite the myriad challenges, the college has always endeavored to make TVET education accessible to several youths and impart to them relevant knowledge and skills that make them employable-self or salaried once they successfully complete their training.

To promote the Government's Bottom Up economic Transformation Agenda (BeTA), Kimasian TVC endeavours to roll out training programs that are geared towards equipping our trainees with competencies required by the industries recognized by the Government as key players in the achievement of BeTA and employers both locally and abroad.

To help implement the curriculum effectively, the Public Service Commission has posted 30 trainers and the board has hired 17 trainers making the number to be 42 competent trainers. Support staff are 15 distributed in various support departments.

In the financial year ended 30th June, 2025, the college experienced several challenges emanating from low enrolment leading to low fees collection, several trainees rely on Government Capitation and Scholarships and HELB loans which were partially or were never disbursed further leading to low revenue collection. The economic situation in the country made it difficult for trainees to clear their household fees on time. By 30th June, 2025 the college had a cumulative fees arrears of Ksh 13,464,284.00 and a pending bill of Ksh 6,814,968.00. In the financial year 2024/2025 we had a budget projection of Ksh 57,157,080.00. With the dwindling finances, the college was unable to implement the budget as projected. The pending bills emanated from supplies of training materials which the college cannot run without being that training and imparting skills and knowledge to various youths is our core mandate.

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The college has established partnership with various Non-Governmental and Governmental organizations such as KCB- Foundation which has been sponsoring some trainees for short courses, NG-CDF Kipkelion East which has been funding some of the projects, Higher Education Loans Board-HELB which gives loans to trainees, Kenya Universities and College Central Placement Service- KUCCPS places trainees to our college, Technical and Vocational Education and Technical Authority-TVETA which accredits our programs, National Industrial Training Authority-NITA and Kenya National Examination Board-KNEC which are assessment and certification bodies that subject our trainees to examinations to determine their levels of competence before graduating to join the labour force. Our aspiration is to partner with several organizations and enhance industrial linkages for the benefit of our trainees.

As we aspire to continue carrying out our core mandates we ask the Government and other key players in the TVET sector to allocate more funds to TVET institutions to enable them procure training materials, improve infrastructure and promote research and innovations with minimum challenges. Kenyan youths should also be funded to pursue their dream careers in TVET institutions so that they can seek for meaningful employment in the industry to improve their quality of life.


Coory Kipkemboi
Principal



Date: 10/12/2025

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7. Statement of Performance against Predetermined Objectives

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

Pillar 1: To provide Vocational and Technical Training

Pillar 2: To enhance access to Technical and Vocational College.

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

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
1.To provide quality Vocational & Technical Training	To offer market driven courses to trainees	Number of CBET courses accredited and mounted and implemented Number of trainees enrolled in CBET courses. Copies of trainees' portfolio of evidences. Number if training material and equipment procured.	Application for accreditation and advertisement of the CBET courses Sensitize the prospecting trainees and register for classes those who report. Capacity build trainers to handle CBET units competently Procure adequate training materials and equipment	27 CBET courses accredited by TVETA and introduced over the FY 2024/2025. 1,035 trainees registered to pursue CBET courses and undertake formal assessment. 47 trainers capacity built by CDACC to train the CBET Curriculum. Training materials procured.
2. To enhance access Technical and Vocational Education and Training.	To bridge the skill gap being experienced in the industries.	Number of Competency Based Education and Training courses introduced in FY 2024/2025 Quantity of training materials procured to support CBET training	To market the college CBET programs. To participate in sports, recreational activities, exhibitions and outreach programmes. To undertake corporate Social Responsibility to the Community	The College introduced 4 new CBET courses. Trainees were trained and registered for KNEC and CBET examinations in all the courses offered by the College.

8. Corporate Governance Statement

The top management organ in the college organogram is the Board of Governors whose core mandates are to oversight prudent use of revenue received, approve policies and guidelines that ensures there are checks and balances in day to day running of the college, recruit staff if there is need, oversee the implementation of the college strategic plan, the budget and the procurement plan. The college has been in existence since 2019 and we attribute the achievements the college has made to the expertise the board members have been offering to the college since inception. The current board whose tenure expires in May 2026 comprises of experts from the private sector and have been instrumental in mentoring staff in the critical departments such as Finance, Internal Auditing, Human Resource and the top management.

The college procured a Management Information Systems and an ICT expert from the board has immensely supported its improvement to meet the college demand.

Board of Governors meetings

In the financial year ended 30th June 2025, there were four full board meetings During the same year there were various BOG committee meetings.

Process of BOG appointment and removal

The board of governors comprises of the Chairman and seven other members with varied vast experience from the private sector. Out of the eight board members one is the County Director – TVET representing the Principal Secretary, State Department for TVET. The Governor of Kericho County representative is yet to be appointed by the Cabinet Secretary having been nominated by the Governor.

The process of establishing the board begins by The Principal sharing information with the public and the Area Member of Parliament the intention of the college to establish a board of Governors. Several interested members of the public with the required credentials send their academic and professional certificates, CVs and copies of the National Identification Cards to the college. The MP also proposes his preferred candidates. The Principal receives and serializes the applications as they are received and captures each applicant's data in the right template provided by the Ministry of Education.

On the last day of application, the Principal constitutes in consultation with the TVET-County Director a nomination panel which comprises of the Member of Parliament or his Representative, One Community Opinion leader, a local churches representative, The County Director TVET and the Principal of the college who is the secretary.

The nomination panel then vets the applications and nominates three candidates per category depending on their areas of specialization as provided in the TVET Act 2013. The profile of the nominees is then filled in the template provided by the Ministry of Education and submitted to the Principal Secretary State Department for TVET a long side the minutes of the nomination panel, signed attendance list and a forwarding letter from the County Director.

From the provided data, the Cabinet Secretary appoints BOG members and send to the college the appointment letters indicating the BOG Chairman and six other board Members as per the TVET Act 2013.

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Once the Principal receives the board members appointment letters, he/she writes to the members informing them of the appointment and also ask them to accept in writing their appointment. The Principal in consultation with the County Director then plans for an inauguration of the board.

Finally the Principal organizes for the board induction in collaboration with the Ministry of Education.

Once the board is constituted, all members shall be bound by the Constitution of Kenya 2010 and the Government's prevailing guidelines that promote accountability.

In reference to MWONGOZO, a board member can cease to be a member if he/she fails to attend meetings without any apology three consecutive times. A board member can also be dismissed through a structured manner under gross misconduct or if he or she violates best practices of governance.

Roles of the board.

Kimasian TVC board has three committees constituted namely:-

- i. Technical Committee.
- ii. Finance Committee.
- iii. The Internal Audit Committee.

The committees meet every quarter to discuss issues presented to them by the Principal and make recommendations which are then presented before the full board of governors meeting for ratification, adoption or amendment before adoption for implementation.

During board meetings, the Secretary to the board briefs the board on the progresses the college is making, any Government circular that requires the board to deliberation on or requires the board attention. The BOG Secretary also briefs the board on the implementation level of resolutions made in the previous meetings. This enhances governance and oversight in implementation of the college core mandates, prudent use of resources and also oversee implantation of the college Strategic Plan and the annual work plan.

The college under the guidance of the board strives to enforce compliance to the statutory obligations and implementation of the Government development agenda under the Bottom Up Economic Transformation Agenda in which TVET institutions have been identified by the Government as key Stakeholders in its achievement.

Succession plan.

To guarantee uninterrupted succession, the Principal is expected to constitute a nomination panel and nominate prospecting board members six months before the expiry of the sitting board's tenure and submit the names in the correct prescribed format to the Principal Secretary State Department for TVET. The nominated candidates should include eligible members of the existing board for continuity purposes.

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9. Management Discussion and Analysis

(a) Compliance with statutory requirements

The College did not have any compliance issues relating to its statutory requirements in the 2024/2025 financial year.

(b) Key projects and Investment Decisions

In the year ended 30th June 2025, the board managed to achieve the following:

S/NO	STRATEGIC OBJECTIVE ACHIEVED	Responsible officers.	Budget cost (Ksh)	Period
1	Improved pass percentage in national examinations from 65%-75%	-The BOG members -The Principal -The Deputy Academics	-	
2	Procurement of CCTV surveillance HDD 8TB	-BOG members -The Principal - The Procurement Officers - HOD ICT and Automation	27,000	Quarter 3
3	Procurement of HP-Office Jet wide format 9720 series	-BOG members -The Principal - The Procurement Officers - HOD ICT and Automation	65,000	Quarter 2
4	Procurement and installation of fire pump complete with pressure pump, vessels and pressure tank	-The BOG members -The Principal -The Procurement Officer -HOD Repair, maintenance and Improvement	80,000	Quarter 3
5	Introduced 4 new CBET courses across all the eight academic departments	-BOG members -The Principal -The Deputy Principal Academics -All Academic HODs	5,000	Quarter 3
6	Procurement of cathode ray oscilloscope	-BOG members -The Principal -The Deputy Principal Academics -HOD Electrical	146,000	Quarter 3
7	Planted 2,000 indigenous trees within the college	-The principal -HOD Greening of TVET -Eco-club members -All staff and trainees	75,040	Quarter 4
8	Procurement of ubiquity, Almax nano status loco NR	-The BOG members -The Principal -The Procurement Officer -HOD ICT and Automation	12,400	Quarter 3
9	Procurement of ubiquity powerbeam MS	-The BOG members -The Principal -The Procurement Officer -HOD ICT and Automation	18,000	Quarter 3

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The following QMS and Policies were developed and approved for implementation.

- i. Quality Management Systems developed.
 - Finance Management Manual
 - Internal Audit Manual
- ii. Policies developed
 - Risk Management Policy
 - Industrial Attachment Policy
 - Income Generating Activities Policy

(c) Major Risks

The College as an educational institution receives income from the Government in form of Scholarships for trainees, HELB loans, Capitation, A-in-A, and Income Generating Activities and funds from externally mobilized sources. The key financial risks may occur especially in a situation where the Government fails to remit the scholarships, capitation and HELB loan to deserving trainees. The college develops its annual budget pegged on the anticipated income from majorly fees from trainees. When the college fails to receive all the monies from the Government there is a risk of failing to meet the statutory obligations thus heavy penalty, failing to pay pending bills on time which may lead to the college being sued by our suppliers, having incomplete projects which in turn may be degraded further increasing the cost of completion.

The Board of Governors has been able to mitigate risks especially in the key areas of operations. The management in collaboration with the BOG has put in place strong financial management policies and internal control systems aimed at minimizing risks that may arise.

The College credit risk is mitigated and protected by holding deposits in state approved and reputable banking institutions namely, Kenya Commercial Bank. The College holds high quality fees debts that are continuously being monitored with a major portion being receivables underwritten by GOK agencies like HELB. The College's capital risk was minimal since at the end of the year under review, the College had no external borrowing and no pending bills.

(d) Material arrears in Statutory/Financial Obligations

The College complied with all laws and key regulation that relate to its statutory obligations under the **NSSF, NITA, Housing Levy, NHIF, INCOME TAX** and **LABOUR** Laws of Kenya. The College has also complied with PFM laws that relate to Public Procurement and Asset Disposal, Annual Estimates and Financial Reporting. In the year of review, the college arrears of Kshs 100,081 as at 30th June 2025 for the month of June 2025 to be remitted in July 2025.

10. Environmental And Sustainability Reporting Statement

A conducive working environment and well trained personnel are pre-requisite factors that promote prudent financial management and an overall better service delivery in an institution such as ours.

Sustainability strategy and profile

The college is guided by other various Policies that work in line with the financial policies and support the smooth running of the organization. These include the procurement procedures and policies, Academic procedures and policies and Human Resource Policies among others. These has helped address challenges related to misappropriation and reduction of wastage in financial management.

In the pursuit to enhance proper financial management, the College has put the following measures in place:-

- i. Employed qualified accountant and Internal Auditor to work in conjunction with the Finance officer to streamline financial issues.
- ii. Conducted regular capacity building forums for the officers in Finance department and management positions.
- iii. Customized and implemented financial procedures to ensure adoption of best practices in financial management.
- iv. Procured and installed Finance Management Information System to ensure proper and accuracy of financial data.

Environmental performance

The College participated in annual tree planting day on 9/6/2025. In line with government directive to plant 15B by 2032, Kimasian TVC planted 2,000 trees within the college in partnership with Kenya Forest Service.

Employee welfare

The College adheres to the Public Service HR manual on hiring of officers. The College has employed a number of officers in conformity to the one-third gender rule. The staff are trained regularly within and outside the College to upgrade their skills and be informed on emerging issues and more specifically TVET institutions. The College is in the process of developing *Occupational Safety and Health Act of 2007, (OSHA)*

Market place practices-

The College is situated in a Serene environment away from other activities that distract learning. There is however competition from other neighboring Colleges and institutions. This has been addressed through adhering to Government guidelines in charging of fees related to TVET institutions to encourage enrolment and retention.

To mitigate on corruption, the college will work in partnership with EACC in this FY to implement guidelines in relation to corruption prevention in TVET Institutions and Government Agencies.

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

The College registered suppliers at the beginning of the FY and endeavours to continually register them to ensure adequate and quality suppliers for goods and services to the College. Payment of suppliers is done for delivery of goods and services upon complete documentation as per the procurement procedures and availability of funds

The college advertises its tenders in the Public Procurement and Information Portal and submits quarterly and annual reports to Public Procurement and Regulatory Authority (PPRA).

Advertisement by the College is done through electronic and print media. The College has a website which is regularly updated with information, radio stations are also used to disseminate information as well as newspapers with wide readership.

Trainees are engaged in sporting activities with other TVET institutions and community for competition and recreational purposes. To promote good health of trainees and staff, the College has scheduled for reproductive health sensitization and provides clean water for drinking. Staff are also required to register with NHIF to ensure affordable health care. Each staff member is also required to be a member of NSSF to contribute to the welfare scheme for retirement.

Corporate Social Responsibility / Community Engagements

Kimasian TVC was not engaged in any CSR activity in the Financial Year 2024/2025.

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

11. Report of the Board of Governors

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

Principal activities

The principal activities of the College are:

- Offer TVET training
- Prepare and guide trainees for evaluation and certification by the appropriate examining bodies
- To promote science, technology and innovation in all training programs
- To nurture trainees talent in different capacities.

Results

The results of Kimasian TVC for the year ended June 30 2025 are set out on page IV-VII

Board of Governors

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

Auditors

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

By Order of the Board

Geopkembai

Secretary of the Board
Kimasian TVC

Date: 10/12/2025



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

12. Statement of Board of Governors Responsibilities

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

The Board members are responsible for the preparation and presentation of Kimasian TVC financial statements, which give a true and fair view of the state of affairs of Kimasian TVC for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes:

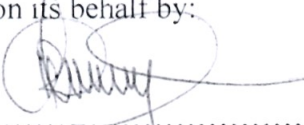
- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of Kimasian TVC;
- (iii) designing, implementing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


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

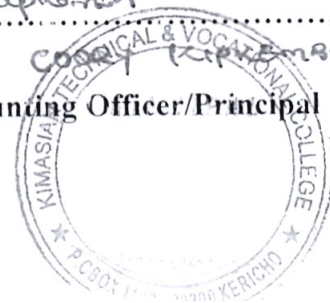
Nothing has come to the attention of the Board members to indicate that Kimasian TVC will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

Kimasian TVC's financial statements were approved by the Board on **10th December 2025** and signed on its behalf by:


.....
Name **ENG. RICHARD CHARKWONY**
Chairperson of the Board


.....
Name **Accounting Officer/Principal**



REPUBLIC OF KENYA

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E-mail: 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 KIMASIAN 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 Kimasian Technical and Vocational College set out on pages 1 to 37, 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 Kimasian Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy of the Property, Plant and Equipment

The statement of financial position and as disclosed in Note 19 to the financial statements reflects property, plant and equipment totalling Kshs.152,953,538. However, the amount differs with the recomputed property, plant and equipment totalling Kshs.129,872,286 resulting in unexplained variance of Kshs.23,081,252.

Further, the College sits on a thirty (30)-acre parcel of land valued at Kshs. 30,000,000. However, title deed for the land has not been acquired.

In the circumstances, the accuracy and completeness of property, plant and equipment totalling Kshs.152,953,538 could not be confirmed.

2. Inaccuracy of Net Cash Flows from Operating Activities

The statement of cashflows and as disclosed in Note 27 to the financial statements reflects total receipts amounting to Kshs.17,411,809. However, the amount differs with the actual total income of Kshs.24,501,960 reflected in the statement of comparison of budget and actual amounts resulting in unexplained variance of Kshs.7,090,151. Similarly, the statement reflects total payments amounting to Kshs.15,578,870. However, the amount differs with the actual total recurrent expenditure amounting to Kshs.16,107,840 reflected in the statement of comparison of budget and actual amounts resulting in unexplained variance of Kshs.528,970.

Further, Note 27 to the financial statements reflects depreciation amounting to Kshs.12,133,429. However, the amount differs with the depreciation of Kshs.12,415,053 reflected in the statement of financial performance resulting in unexplained variance of Kshs.281,624. Similarly, the Note reflects increase in payments received in advance totalling Kshs.2,737,926. However, the balance differs with the increase in payments received in advance totalling Kshs.2,768,365 resulting in unexplained variance of Kshs.30,439.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

3. Unsupported Biological Assets

The statement of financial position and as disclosed in Note 21 to the financial statements reflects biological assets totalling Kshs.426,000 relating to dairy cows. However, valuation report in support of the biological assets was not provided for audit review.

In the circumstances, the accuracy and completeness of the biological assets totalling Kshs.426,000 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounting to Kshs.57,157,080 and Kshs.24,501,960 respectively, resulting to an under-funding of Kshs.32,655,120 or fifty seven percent (57%) of the budget. Similarly, the statement reflects actual expenditure amounting to Kshs.16,107,840 against actual receipts of Kshs.24,501,960 resulting in under-absorption of Kshs.8,394,120 of the actual receipts.

Further, the statement reflects capital expenditure budget amounting to Kshs.13,262,608 against expenditure amounting to Kshs.1,029,700 resulting in under expenditure of Kshs.12,232,908 or ninety-two percent (92 %) of the budget.

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

My Opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, twelve (12) issues were raised under the Report on Financial Statements as shown in **Appendix I**. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page v to xxv which comprise of Key Entity Information and Management, the Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors, and 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 effects of the matter 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

Non-Compliance with the Law on Staff Ethnic Composition

Review of personnel records revealed that the College has thirty-five (35) members of staff out of whom thirty-one (31) or 88% are from the same ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

Basis for Conclusion

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 Article 229(6) of the Constitution and based on the audit procedures performed, except for the effects of the matter 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 public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Lack of Internal Audit Function

Audit review confirmed that the Institute does not have an Internal Audit Department. This was contrary to Section 73(1) of the Public Finance Management Act, 2012 which states that every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the existence of an effective mechanism to safeguard against risks 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 Management and the Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the College's ability to 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.

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 December, 2025

Appendix I

Unresolved Prior Year Audit Matters

Number	Financial Year	Issue
1	2023/2024	Unsupported Sale of Goods
2	2023/2024	Unsupported Other Income
3	2023/2024	Unsupported Repairs and Maintenance
4	2023/2024	Unsupported Cash and Cash Equivalents
5	2023/2024	Inaccuracy of current portion of Receivables from Exchange Transactions
6	2023/2024	Inaccuracy of Property, Plant and Equipment Balance
7	2023/2024	Unsupported Biological Assets
8	2023/2024	Unsupported Refundable Deposits from Customers
9	2023/2024	Inaccuracy of total net assets and liabilities
10	2023/2024	Inaccuracies in the statement of cash flows
11	2023/2024	Budgetary Control and Performance
12	2023/2024	Lack of an Internal Audit Function

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

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

	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	3,763,750.00	6,262,827.00
Transfers from other levels of government	6	-	1,767,162.00
Total Revenue from Non-Exchange transactions		3,763,750.00	8,029,989.00
Revenue from Exchange transactions			
Rendering of services- fees from students	7	36,019,562.00	19,795,890.00
Sale of goods	8	528,935.00	404,765.00
Other income	9	519,240.00	313,825.00
Revenue from Exchange transactions		37,067,737.00	20,514,480.00
Total Revenue		40,831,487.00	28,544,469.00
Expenses			
Use of goods and services	10	8,174,439.00	12,622,438.00
Employee costs	11	6,674,771.00	7,318,899.00
Board Expenses	12	578,500.00	605,200.00
Depreciation and amortization expense	13	12,415,052.83	12,324,524.00
Repairs and maintenance	14	151,160.00	1,197,380.00
Total Expenses		27,993,922.83	34,068,441.00
Other Gains/(Losses)			
Gain on sale of assets			
Gain/ Loss on fair value of investments			
Impairment loss			
Total Other Gains/(Losses)			
Net surplus/(deficit) for the year		12,837,564.17	-5,523,972.00


(The notes set out on pages 6 to 40 form an integral part of the Annual Financial Statements).

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



 Chairman of the Board


Date



 Principal
 COOR- KIPKEMBOI

Date





 Finance Officer

Date

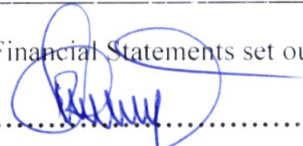


Kimasian Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	15	1,184,486.00	441,247.00
Current portion of receivables from exchange transactions	16	13,485,584.00	14,600,251.00
Receivables from non-exchange transactions	17	-	4,417,173.00
Inventories	18	1,855,712.50	1,275,108.00
Total Current Assets		16,525,782.50	20,733,779.00
Non-Current Assets			
Property, plant, and equipment	19	152,953,537.67	152,250,773.00
Intangible assets	20	1,125,497.00	1,340,121.00
Biological Assets	21	426,000.00	251,000.00
Total Non-Current Assets		154,506,034.67	153,841,894.00
Total Assets		171,031,817.17	174,575,673.00
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	22	6,887,883.00	8,205,227.00
Refundable deposits from customers	23	735,000.00	735,000.00
Deferred income	24	-	232,838.00
Employee benefit obligation	25	100,081.00	111,992.00
Payments received in advance	26	9,864,728.00	7,096,363.00
Total Current Liabilities		17,587,692.00	16,381,420.00
Total Liabilities		17,587,692.00	16,381,420.00
Net Assets		153,444,125.17	158,194,253.00
Accumulated Surplus		66,412,714.00	41,160,097.00
Capital Fund		104,612,103.17	117,034,156.00
Total Net Assets and Liabilities		171,031,817.17	174,575,673.00

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



Chairman of Council/Board
 Date 10/12/2025



Principal

 Date 10/12/2025



Finance Officer
 ICPAK No meb
 Date 10/12/2025


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

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

Description	Revaluation reserve	Accumulated surplus	Capital	Total
			Fund	
At July 1, 2022		29,634,832.00	141,097,334.00	170,732,166.00
Revaluation gain		4,261,496.00		4,261,496.00
Surplus/(deficit) for the year	-	-11,275,437.00	-	-11,275,437.00
Capital grants received during the year	-	-		
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	11,738,654.00	-11,738,654.00	-
At June 30, 2023		34,359,545.00	129,358,680.00	163,718,225.00
At July 1, 2023		34,359,545.00	129,358,680.00	163,718,225.00
Revaluation gain				
Surplus/(deficit) for the year		-5,523,972.00		-5,523,972.00
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings		12,324,524.00	-12,324,524.00	
At June 30, 2024		41,160,097.00	117,034,156.00	158,194,253.00
At July 1, 2024		41,160,097.00	117,034,156.00	158,194,253.00
Revaluation gain				
Surplus/(deficit) for the year		12,837,564.17		12,837,564.17
Capital grants received during the year				
Transfer of depreciation/amortisation from capital fund to Retained earnings		12,415,052.83	-12,415,052.83	
At July 1, 2025		66,412,714.00	104,619,103.17	171,031,817.17

Kimasian 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		FY 2024/2025	FY 2023/2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities-Capitation	6	3,763,750.00	6,262,827.00
Rendering of services- fees from students		12,599,884.00	24,599,289.00
Sale of goods	8	528,935.00	404,765.00
Other income	9	519,240.00	313,825.00
Total Receipts		17,411,809.00	31,580,706.00
Payments			
Use of goods and services	10	8,174,439.00	12,622,438.00
Employee costs	11	6,674,771.00	7,318,899.00
Board Expenses	12	578,500.00	605,200.00
Repairs and maintenance	14	151,160.00	1,197,380.00
Total Payments		15,578,870.00	21,743,917.00
Net Cash Flows from operating activities		1,832,939.00	9,836,789.00
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(1,089,700.00)	(6,397,853.00)
Net cash flows used in investing activities			
Net Increase/(Decrease) in Cash and Cash equivalents		743,239.00	-1,996,770.00
Cash and Cash equivalents at 1 JULY 2024		441,247.00	2,438,017.00
Cash and Cash equivalents at 30 JUNE 2025		1,184,486.00	441,247.00

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

Description	Original budget	Adjustments	Final	Actual on comparable basis	Performance difference	Utilization Difference
			budget			
	a	b	c=a+b	d	e=(c-d)	f=d/c*100
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	8,400,000.00	0	8,400,000.00	3,763,750.00	-4,636,250.00	44.81%
Rendering of services- fees from students	42,335,880.00	0	42,335,880.00	12,599,884.00	29,735,996.00	29.76%
Production unit	450,000.00	0	450,000.00	404,620.00	-45,380.00	89.92%
Dairy production	200,000.00	0	200,000.00	81,320.00	-118,680.00	40.66%
Income from hospitality	50,000.00	0	50,000.00	42,995.00	-7,005.00	85.99%
KUCCPS	436,500.00	0	436,500.00	378,000.00	-58,500.00	86.60%
KNEC and NITA exam fees	2,500,000.00	0	2,500,000.00	4,632,341.00	-2,132,341.00	185.29%
Industrial attachment	1,000,000.00	0	1,000,000.00	1,042,400.00	-42,400.00	104.24%
Registration	145,500.00	0	145,500.00	267,500.00	-122,000.00	183.85%
TVETA Fees	400,000.00	0	400,000.00	126,000.00	-274,000.00	31.50%
Student ID card	87,300.00	0	87,300.00	75,600.00	-11,700.00	86.60%
Student Union	480,000.00	0	480,000.00	935,100.00	-455,100.00	194.81%
Driving school fees	636,900.00	0	636,900.00	54,450.00	-582,450.00	8.55%
Computer packages fees	35,000.00	0	35,000.00	98,000.00	-63,000.00	280.00%
Total Income	57,157,080.00	0	57,157,080.00	24,501,960.00	32,655,120.00	42.87%
Expenses						
Recurrent expenditure						
Use of goods and services	29,233,457.00	0	29,233,457.00	8,703,409.00	-20,530,048.00	29.77%
Employee costs	9,757,615.00	0	9,757,615.00	6,674,771.00	-3,082,844.00	68.41%
Board Allowances	1,040,000.00	0	1,040,000.00	578,500.00	-461,500.00	55.63%
Repairs and maintenance	3,863,400.00	0	3,863,400.00	151,160.00	-3,712,240.00	3.91%
Total Expenditure payments	43,894,472.00	0.00	43,894,472.00	16,107,840.00	27,786,632.00	36.70%
Capital Expenditure payments	13,262,608.00		13,262,608.00	1,029,700.00	12,232,908.00	7.76%
Total Expenditure	57,157,080.00	0.00	57,157,080.00	17,137,540.00	40,019,540.00	29.98%
Surplus For the Period	0.00	0	0.00	7,364,420.00		

Budget notes:

1. The underperformance in rendering of services was due to low trainee enrollment hence reduction of school fee collection.

2. The underperformance in use of goods and services is due to lack of funds in the institution. We didn't receive capitation as budgeted for hence so many college operations could not be undertaken.

3. The underperformance in employee costs is because the college could not employ more staff due to non receipt of capitation.

4. The difference between original and final budget is due to reallocations

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19. Notes to the Financial Statements

1. General Information

Kimasian Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2013. Kimasian TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. Kimasian TVC's principal activity is to offer technical skills and knowledge.

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 Kimasian TVC's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Kimasian 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 30 June 2025.

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

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

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

iii. Early adoption of standards

Kimasian TVC did not early – adopt any new or amended standards in the financial year 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 Board on **15th April 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 Kimasian TVC upon receiving the respective approvals to conclude the final budget. The final budget was approved by the Board on **18th January 2025** with the total budget amount remaining the same. Kimasian TVCs 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 financial performance has been presented on page 4 under Note 18 of these financial statements.

c) Taxes

Current income tax

Kimasian TVC is exempt from paying taxes as per the Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. 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.

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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, Kimasian TVC 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 Kimasian TVC. 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. Kimasian TVC 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 Kimasian TVC 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

Kimasian TVC 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

Kimasian TVC expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Kimasian TVC 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. 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, Kimasian TVC 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

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

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Subsequent measurement

Based on the business model and the cash flow characteristics, Kimasian TVC 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 Kimasian TVC 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

Kimasian TVC 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.

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Financial liabilities

Classification

Kimasian TVC 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.

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 Kimasian TVC.

l) Provisions

Provisions are recognized when Kimasian 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 Kimasian 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

Kimasian 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

Kimasian 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 Kimasian TVC in the notes to the financial statements. Contingent assets are assessed

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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. Kimasian TVC 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 Kimasian TVC will incur in fulfilling the present obligations represented by the liability

n) Nature and purpose of reserves

Kimasian TVC creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

Kimasian 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

Kimasian 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.

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r) Borrowing costs

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

s) Related parties

Kimasian 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 Kimasian TVC, 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

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Kimasian TVC 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 Kimasian TVC. 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 Kimasian 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

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6. Transfers from other National Government entities

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	3,763,750.00	6,262,827.00
Kipkelion East NG-CDF	-	1,767,162.00
Total unconditional Grants	3,763,750.00	8,029,989.00
Total Government Grants and Subsidies	3,763,750.00	8,029,989.00

Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY 2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	3,763,750.00				6,262,827.00
Kipkelion East NG-CDF	-				1,767,162.00
Total	3,763,750.00				8,029,989.00

(This is revenue from Government Capitation)

7. Rendering of Services

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Tuition Fees	18,498,909.00	9,450,599.00
Activity Fees	2,273,358.00	1,121,797.00
Industrial Attachment Fees	1,042,000.00	623,500.00
Electricity Water and Conservancy	1,982,880.00	989,287.00
Local Travel and Transport	1,992,736.00	1,002,513.00
Student union	935,100.00	207,800.00
Medical	12,800.00	38,950.00
Repairs, Maintenance and Improvement	1,665,593.00	891,765.00
Personal Emolument	6,556,236.00	3,397,569.00
KUCCFS payment	378,000.00	351,000.00
Attachment fee	60,000.00	506,000.00
NITA Examination fee	-	300,300.00
Training tools	-	201,600.00

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Branded protective attire	-	84,000.00
Registration	267,500.00	121,500.00
TVETA fees	126,000.00	118,000.00
Student ID cards	75,600.00	70,800.00
Safety boots	-	4,000.00
Computer packages	98,000.00	38,500.00
Driving school	54,450.00	276,410.00
Total Revenue from The Rendering of Services	36,019,562.00	19,795,890.00

(This is revenue receivable on trainees on accrual basis as per the college fee structure)

Calculation for the purpose of cashflow:

Actual income: Kshs 12,599,844.00

Actual amount invoiced: Kshs 36,019,562.00

8. Sale of Goods

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Milk sales	81,320.00	152,070.00
Sale of Farm Produce	404,620.00	186,645.00
Cafeteria sales	42,995.00	59,150.00
Sale of boma rhodes	-	6,900.00
Total Revenue from Sale of Goods	528,935.00	404,765.00

(This is revenue from the college farm and cafeteria)

9. Other Income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Lease of college farm	-	5,250.00
Staff welfare income	-	1,580.00
Income from KCB	253,500.00	5,000.00
Sale of scrap metal	-	51,060.00
Driving school income	9,240.00	39,270.00
Lease of college items	500.00	20,000.00
KCB entertainment	-	108,000.00
CBET Training	-	83,665.00
Marketing fees(Kipkelion East NG-CDF)	256,000.00	-
Total other income	519,240.00	313,825.00

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10. Use of Goods and Services

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Industrial visits	57,500.00	47,500.00
LTT	1,989,404.00	2,135,748.00
Field Assessment	127,000.00	125,200.00
Marketing, advertisement and Publicity	471,780.00	439,220.00
Student ID	-	46,800.00
Stationery	237,800.00	203,060.00
Airtime	491,000.00	335,500.00
Bank Charges	32,625.00	22,716.75
Internet Subscription	317,929.00	212,199.00
EWC	468,540.00	524,064.00
Student insurance	22,080.00	33,400.00
Acquisition of log books	-	20,000.00
Medical expenses	20,100.00	37,450.00
Student union	237,020.00	149,920.00
Training materials(food and beverage)	15,190.00	297,575.00
Tuition expenses	413,845.00	-
TVET fairs	110,150.00	670,850.00
Activity,sports and Equipment	719,554.00	809,572.00
Maize farming	290,520.00	377,669.00
Dairy farming	-	38,700.00
Horticulture farming	19,000.00	13,500.00
Remitted to KUCCPS	-	408,000.00
Capacity Building	1,080,370.00	2,285,055.00
Office entertainment	228,765.00	660,657.00
KATTI	-	60,000.00
Performance Contracting	193,600.00	337,000.00
Service charter	-	30,000.000
KNEC facilitation	121,990.00	228,295.00
Other subscription	41,521.00	220,756.00
Dean of students	158,650.00	97,730.00
Corporate Social Responsibility	-	210,560.00
Academic trips	-	270,300.00
Maintenance and accessories	21,400.00	64,180.00
Gratuity	-	280,462.88
Computer packages	30,314.00	6,000.00
Quality assurance fees	-	437,500.00

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Itume ICT lab	-	102,760.00
Training fees payable to NTSA	122,150.00	188,480.00
KCB expenses	-	137,820.00
KUCCPS	-	7,000.00
CBET	134,642.00	34,240.00
Construction of shade 2	-	55,000.00
Total good and services	8,174,439.00	12,622,438.00

11. Employee Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Basic salary	5,069,944.00	5,504,695.00
Housing allowances	1,131,778.00	1,289,252.00
NSSF Employer contributions	380,022.00	422,066.00
Housing levy Employer contributions	93,027.00	102,886.00
Employee Costs	6,674,771.00	7,318,899.00

12. Board Expenses

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Directors Emoluments	578,500.00	605,200.00
Total	578,500.00	605,200.00

13. Depreciation and Amortization expense

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property, plant and equipment	12,133,428.83	11,989,494.00
Intangible assets	281,624.00	335,030.00
Total depreciation and amortization	12,415,052.83	12,324,524.00

14. Repairs and Maintenance

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Repair, maintenance and Improvement	151,160.00	1,197,380.00
Total Repairs and Maintenance	151,160.00	1,197,380.00

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15. Cash and Cash Equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Petty cash-Kimasian operation Account	86,369.00	31,928.00
Petty cash-CDF Account	0	61,000.00
Kimasian operation Account-KCB Londiani	1,091,263.00	176,481.00
Kimasian NG-CDF Account	6,854.00	171,838.00
Total Cash and Cash Equivalents	1,184,486.00	441,247.00

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

Financial Institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank-Operation	1269508768	1,091,263.00	176,481.00
Kenya Commercial Bank-NG-CDF	1285514750	6,854.00	171,838.00
Sub- Total		1,098,117.00	348,319.00
b) Others			
Cash in hand-Operation account		86,369.00	31,928.00
Cash in Hand-NG-CDF		0	61,000.00
Sub- Total		86,369.00	92,928.00
Grand Total		1,184,486.00	441,247.00

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16. Receivables from Exchange transactions

16 (a) Current Receivables from Exchange transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	13,464,284.00	14,588,041.00
Sales Debtors	21,300.00	12,210.00
Total Current Receivables	13,485,584.00	14,600,251.00

16 (b) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	FY 2024/2025	% of total	FY 2023/2024	% of the total
Less than 1 year	197,829.00	1.47%	7,529,845.00	51.57%
Between 1- 2 years	10,617,766.00	78.73%	564,626.00	3.87%
Between 2-3 years	1,702,185.00	12.62%	574,076.00	3.93%
Over 3 years	967,805.00	7.18%	5,931,703.00	40.63%
Total (a+b)	13,485,584.00	100%	14,600,251.00	100%

16 (c) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
At the beginning of the year	14,600,251.00	9,599,648.00
Provisions during the year	0	0
Recovered during the year	1,114,667.00	0
Write offs during the year	0	0
At the end of the year	13,485,584.00	14,600,251.00

17. Receivables from Non-Exchange transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	-	4,417,173.00
Transfers from Other Govt. entities		
Total Current Receivables	-	4,417,173.00

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

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

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	FY 2024/2025	% of the total	FY 2023/2024	% of the total
Less than 1 year	-	-	4,417,173.00	100%
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	4,417,173.00	100%

17 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
At the beginning of the year	0	0
Additional provisions during the year	0	0
Recovered during the year	0	0
Written off during the year	0	0
At the end of the year	0	4,417,173.00

18. Inventories

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Central-Repairs and Maintenance	325,670.00	56,351.00
Central Store-Stationary	45,750.00	37,248.00
Medical Drug Stores	-	12,345.00
Plumbing Stores	65,453.00	48,233.00
Farm Stores	-	63,456.00
Central Electricals	506,935.50	467,665.00
Central Store- ICT Department	64,551.00	28,370.00
Central Store-Mechanical	167,560.00	76,530.00
Central Store-Building And Civic Engineering	234,560.00	256,908.00
Central Store-Administration	56,340.00	56,092.00
Central store-Business	54,820.00	15,130.00
Central Store-Institutional Management	334,073.00	156,780.00
Total Inventories at lower of Cost and Net Realizable Value	1,855,712.50	1,275,103.00

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19. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs		Kshs
Depreciation Rate		2%	12.5%	30%	12.5%		
At 1 st July 2023	30,000,000.00	50,555,347.00	567,238.00	2,385,684.00	74,352,325.00	73,830.00	157,934,414.00
Additions/Revaluation			360,350.00	1,888,000.00	2,290,340.50	1,767,162.00	6,305,852.50
Disposals							
Transfer Adjustments							
At 30th June 2024	30,000,000.00	50,555,347.00	927,588.00	4,273,684.00	76,642,665.50	1,840,982.00	164,240,266.50
Additions/Revaluation				217,700.00	629,000.00	-	846,700.00
Disposals							
Transfer Adjustments							
At 30th June 2025	30,000,000.00	50,555,347.00	927,588.00	4,491,384.00	77,271,665.50	1,840,982.00	165,086,966.50
Depreciation And Impairment							
At 30th June 2023	-	1,978,665.00	146,510.00	1,605,927.00	19,790,063.00		23,521,165.00
Depreciation		1,011,106.94	115,949.00	1,282,105.00	9,580,333.06		11,989,493.94
Disposals							
Impairment							
At 30th June 2024	-	2,989,771.94	262,459.00	2,888,032.00	29,370,396.00	-	23,081,252.00
Depreciation		1,011,106.94	115,948.50	1,347,415.20	9,658,958.19		12,133,428.83
Disposals							
Impairment							
At 30th June 2025	-	4,000,878.88	378,407.50	4,235,447.20	39,029,354.19		35,214,680.83
Net Book Values							
At 30th Jun 2024	30,000,000.00	49,544,240.06	811,639.00	2,991,579.00	67,062,332.50	1,840,982.00	152,250,772.56
At 30th Jun 2025	30,000,000.00	49,544,240.06	811,639.50	3,143,968.80	67,612,707.31	1,840,982.00	152,953,537.67

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The equipment were grants from the Ministry of Education having been valued by AVIC and the amounts incorporated into PPE. Land was donated by the County Government of Kericho at an estimated cost. Buildings were constructed by the National Government at an estimated cost. These amounts were adopted in the financial statements

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19 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	30,000,000.00	-	30,000,000.00
Buildings	50,555,347.00	1,011,106.94	49,544,240.06
Plant And Machinery	77,271,665.50	9,658,958.19	67,612,707.31
Computers and Related Equipment	4,491,384.00	1,347,415.20	3,143,968.80
Office Equipment, Furniture, And Fittings	927,588.00	115,948.50	811,639.50
Work in progress	1,840,982.00	-	1,840,982.00
Total	165,086,966.50	12,133,428.83	152,953,537.67

20. Intangible Assets

Description	FY 2024/2025	FY 2023/2024
Cost		
At beginning of the year	1,340,121.00	1,583,152.00
Additions	68,000.00	92,000.00
At end of the year	1,408,121.00	1,675,152.00
Additions—internal development	-	-
At end of the year	1,408,121.00	1,675,152.00
Amortization and impairment		
At beginning of the year		
Amortization	(281,624.00)	(335,030.00)
At end of the year	(281,624.00)	(335,030.00)
Impairment loss	-	-
At end of the year	281,624.00	335,030.00
NBV	1,126,497.00	1,340,121.00

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21. Biological Assets

	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
At beginning of the year	251,000.00	251,000.00
Additions-dairy cows	175,000.00	0
At end of the year	426,000.00	251,000.00
Total at the end of the year	426,000.00	251,000.00

22. Trade and Other Payables

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
General creditors	6,814,968.00		7,553,642.00	
Imprest creditors	-		172,500.00	
HELB control A/C	56,635.00		56,635.00	
KNEC examination fee	-		337,170.00	
Kericho county bursary fund	16,280.00		16,280.00	
Airtime creditors	-		69,000.00	
Total Trade and Other Payables	6,887,883.00		8,205,227.00	
Ageing analysis:	FY 2024/2025	% of the Total	FY 2023/2024	% of the Total
Under one year	6,887,883.00	100%	8,317,219.00	100%
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	6,887,883.00	100%	8,205,227.00	100%

23. Refundable Deposits from Customers/Students

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Caution money	735,000		735,000	
Total Deposits	735,000		735,000	
Ageing analysis:	FY 2024/2025	% of the Total	FY 2023/2024	% of the Total
Under one year	18,000.00	2.4%	18,000.00	2.4%
1-2 years	168,000.00	22.9%	168,000.00	22.9%
2-3 years	339,000.00	46.1%	339,000.00	46.1%
Over 3 years	210,000.00	28.6%	210,000.00	28.6%
Total (to tie to totals deposits above)	735,000.00	100%	735,000.00	100%

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24. Deferred Income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Deferred income(NG-CDF)	-	232,838.00
Total Deferred Income	-	232,838.00

The deferred income movement is as follows:

Description	NG-CDF-Kipkelion East	International funders/donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward				
Additions during the year				
Transfers to capital fund				
Transfers to income statement				
Other transfers				
Balance carried forward				

Analysed as:

Description	Amount
	Kshs
Current	
Non- Current	
Total	

25. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	FY 2024/2025	FY 2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation				100,081.00	111,992.00
Total Employee Benefits Obligation				100,081.00	111,992.00

Kimasian TVC also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Kimasian TVC's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 1,080 per employee per month. Employees contribute 6%

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while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

26. Payments received in advance.

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Fees received in advance	9,864,727.00		7,096,381.00	
Others (Specify)				
Total	9,864,727.00		7,096,381.00	
Ageing analysis:	FY 2024/2025	% of the Total	FY 2023/2024	% of the Total
Under one year	0	0	508,604.97	7.3%
1-2 years	2,935,535.00	29.76%	2,698,239.93	38.0%
2-3 years	5,240,011.00	53.12%	2,570,311.04	36.2%
Over 3 years	1,689,181.00	17.12%	1,319,225.06	18.5%
Total	9,864,727.00	100%	7,096,381.00	100%

27. Cash generated from operations.

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Surplus for the year before tax	12,837,564.17	-5,523,972.00
Adjusted for:		
Depreciation	(12,133,428.83)	12,324,524.00
Working Capital Adjustments	704,135.34	6,800,552.00
Increase in Inventory	(580,604.50)	508,171.00
Decrease in Receivables	5,531,840.00	-8,443,167.00
Decrease in Deferred Income	232,838.00	230,945.00
Decrease in Payables	(1,317,344.00)	5,328,125.00
Increase in Payments received in advance	(2,737,925.85)	5,412,163.00
Net Cash Flow from Operating Activities	1,832,939.00	9,836,789.00

28. Financial Risk Management

Kimasian TVC'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.

Kimasian TVC's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	14,600,251.00	7,529,845.00	1,138,702.00	5,931,703.00
Receivables from non-exchange transactions	4,417,173.00	4,417,173.00	-	-
Bank balances	441,247.00	441,247.00	-	-
Total	19,458,671.00	12,388,265.00	1,138,702.00	5,931,703.00
At 30 June 2025				
Receivables from exchange transactions	13,485,584.00	197,829.00	12,319,951.00	967,805.00
Receivables from non-exchange transactions	-	-	-	-
Bank balances	1,184,486.00	1,184,486.00	-	-
Total	14,670,070.00	1,382,315.00	12,319,951.00	967,805.00

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

Kimasian TVC has significant concentration of credit risk on amounts due from 2019-2025.

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 Kimasian TVC's directors, who have built an appropriate liquidity risk management framework for the management of Kimasian TVC's short, medium and long-term funding and liquidity management requirements. Kimasian TVC 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	-	-	8,205,227.00	8,205,227.00
Deferred Income	-	232,838.00	-	232,838.00
Employee Benefit Obligation	111,992.00	-	-	111,992.00
Total	111,992.00	232,838.00	8,205,227.00	8,550,057.00
At 30 June 2025				
Trade Payables	-	-	6,887,883.00	6,887,883.00
Employee Benefit Obligation	100,081.00	-	-	100,081.00
Total	100,081.00	-	6,887,883.00	6,987,964.00

(iii)Market risk

Kimasian TVC has put in place an internal audit function to assist it in assessing the risk faced by Kimasian TVC 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 Kimasian TVC'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.

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

Management of interest rate risk

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

iv) Capital Risk Management

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings	66,412,714.00	41,160,097.00
Capital Reserve	104,619,103.17	117,034,156.00
Total Funds	171,031,817.17	158,194,253.00
Total Borrowings	17,587,692.00	16,381,420.00
Less: Cash and Bank Balances	(1,184,486.00)	(441,247.00)
Net Debt/(Excess Cash and Cash Equivalents)	16,403,206.00	15,940,173.00
Gearing	0.93%	0.28%

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29. Related Party Balances

Nature of related party relationships

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

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

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Total		
B) Purchases from related parties		
Purchases of electricity from KPLC	419,959.00	524,064.00
Purchase of water from Government service providers	-	-
Total	419,959.00	524,064.00
b) Grants /Transfers from the Government		
Grants from National Government	3,763,750.00	6,262,827.00
Grants from NG-CDF	-	2,650,000.00
Donations in Kind	-	5,000.00
Total	3,763,750.00	8,267,827.00
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for college Employees	6,674,771.00	7,318,899.00
Payments for Goods and Services for college use	8,174,439.00	12,622,438.00
Total	14,849,210.00	19,941,337.00
d) Key Management Compensation		
Directors' emoluments	578,500.00	605,200.00
Total	578,500.00	605,200.00

**Kimasian Technical and Vocational College
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30. Events After The Reporting Period

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

31. Ultimate And Holding Entity

Kimasian TVC is a State Corporation under the Ministry of Education. Its ultimate parent is the Government of Kenya.

32. Currency

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

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33. 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	Unsupported sale of goods	The management agrees with the audit findings and relevant supporting documentation for sale of goods will accompany the amended financial statements for your review	Resolved	30/6/2025
2	Unsupported other income	The management agrees with the audit findings and relevant supporting documentation for other income will accompany the amended financial statements for your review	Resolved	30/6/2025
3	Unsupported Repairs and Maintenance	The management agrees with the audit findings and relevant supporting documentation for Repairs and Maintenance will accompany the amended financial statements for your review	Resolved	30/6/2025
4	Unconfirmed cash and cash equivalents	The management agrees with the audit findings and the college will liaise with the Management Information System service provider	Resolved	30/6/2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5	Inaccuracy of receivables from exchange transactions	to ensure the system gives accurate records at any given time The management agrees with the audit findings and will put in more effort to ensure collection of long outstanding debts	Resolved	30/6/2025
6	Inaccuracy of Property, Plant and Equipment	The management agrees with the audit findings and will engage valuers to ensure the correct value of college assets. The college in conjunction with the National Lands Commission is in the process of acquiring college land title deed.	Unresolved	30/6/2026
7	Unsupported disclosure of Biological Assets	The management agrees with the audit findings and a valuer will be involved to determine the correct value of biological assets	Unresolved	30/6/2026
8	Unsupported refundable deposits from customers	The management agrees with the audit findings and is in the process of opening a separate bank account for refundable deposits after approval from the National Treasury	Resolved	30/6/2025

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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 time frame with the appointed Focus 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.

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Name **COOBY KIPKEMBOI**
Accounting Officer
(Kimasian TVC)
Date **10/12/2025**



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Appendix II: Projects Implemented by (Kimasian TVC)

Projects

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

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

Status of Projects completion

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

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

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Appendix III- Inter-Entity Confirmation Letter**

Name of transferring entity Ministry of Education State Department for TVET

Name of beneficiary entity Kimasian TVC

Confirmation of amounts received by [Kimasian TVC] as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
FT242648DMRT	20/09/2024	987,505.80		987,505.80	SCHOLARSHIP
FT24264SGS3S	23/09/2024	1,981,500.50		1,981,500.50	SCHOLARSHIP
FT24264MH938	23/09/2024	1,040,854.50		1,040,854.50	SCHOLARSHIP
FT242671GD4S	26/09/2024	1,307,325.00		1,307,325.00	QI CAPITATION
FT25045H48T5	14/02/2025	2,456,425.00		2,456,425.00	CAPITATION
FT24268106SP	24/09/2024	40,140.90		40,140.90	SCHOLARSHIP
Total				7,813,751.70	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name M. Idris Chelangat Sign M. Idris Chelangat Date 10/12/2025



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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Tree planting	Tree planting	Greening of TVET and neighboring Mau Forest	Planting of trees within the college				75,040	A-in-A	Kenya Forest Service Kimasian TVC

Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Installation of fire extinguishers and fire blanket	Installation of fire extinguishers and fire blanket	Fire outbreak	Mitigation	Refilling of 11 fire extinguishers	Kshs 60,500	Cost of refilling

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100

100