

REPUBLIC OF KENYA




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Enhancing Accountability

REPORT

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ON

**EMGWEN TECHNICAL TRAINING AND
VOCATIONAL COLLEGE**

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

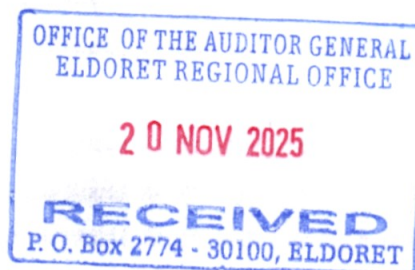


EMGWEN TECHNICAL AND VOCATIONAL COLLEGE

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)



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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Emgwen Institute was established under the TVET Act 2013 Act on 26th April 2021. The College is domiciled in Kenya. The institute is under the Ministry of Education.

(b) Principal Activities

The principal activity/mandate of the Emgwen Tvc is to train individuals to acquire technical skills relevant to industrial needs needed in the job market and dynamic technology.

The vision

“To be a centre of excellence in technical and technological advancement in the region and beyond”.

The mission

“To nurture, develop and promote technological advancement through technical skills and produce creative and innovative trainees ready to transform the society”

CORE STRATEGIC OBJECTIVES

1. To nature, develop and promote technological advancement through technical skills and produce creative innovative trainees ready to transform the society.
2. To promote TVET access through the use of ICT, open and distance learning, this shall provide technical solutions to emerging issues.
3. To acquire training equipment and expand infrastructure which will enhance practical skills that are relevant to trainees and global emerging tents
4. To collaborate with organizations in providing trainees with industrial exposure leading to enhanced technology that solves emerging issues.
5. To promote trainee welfare through provision of co-curriculum facilities, counselling and career services

(c) Key Management

The institute’s day-to-day management is under the following key organs:

- Board of Governors
- Principal
- Deputy Principal in charge of Admiration.
- Deputy Principal in charge of Academic
- Registrar
- Dean of Students
- Finance Officer
- Procurement officer
- Head of Departments

(d) Fiduciary Management

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

SN	Designation	
1.	Principal	Tarus J. Barkebo
2.	Deputy principal Finance	Richard Kiprop
3	Deputy principal Academics	Ezekiel Limo
4	Registrar (s)	Oscar Kiprono
5	Dean of students	Lilian Gisemba
6	Head of Finance	CPA Isaac Koin
7	Procurement Officer	Eliud Kipkoech

(e) Fiduciary Oversight Arrangements

Finance, Administration and strategy committee activities

- To interrogate budget and procurement plan
- To align expenditure to the budget
- To receive and propose developmental projections
- To plan for use of student fees and capitation

Education Training and Research committee activities

- To implement TVET Training
- To ratify internal policies and procedures
- To provide framework for research

Audit, Risk and Compliance Committee activities

- To receive audit reports both financial and non-financial
- To propose actions based on the audit reports
- To identify risks and management of the risk

Keys Institute Information and Management (Continued)

(f) Emgwen Tvc Institute Headquarters

Emgwen Technical and Vocational College
P.O. Box 345-30300 Kapsabet ,KENYA.

(g) Emgwen Tvc Contacts

Telephone: (+254) – (0)112-332525
E-mail: eemgwentvc@gmail.com
Website: www.emgwentvc.ac.ke

(h) Emgwen Tvc Bankers

1. Kenya commercial bank –Eldoret East Branch (Main Account)
2. Kenya commercial Bank –Kapsabet Branch (NG-CDF Account)

(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 Council/Board of Governors

Member/ Director	
<p>1.</p>	 <p>DR. NAFTALI KIPKORIR ROP</p> <p>BOG Chairperson Dr. Naftali Kipkorir Rop Doctor of Philosophy Degree in Special Needs Education Master in Education BSC. Special Education Date of Birth: 28/11/1973 Scholar,mentor and Researcher in University for over 17 years.currently Chair of Department, Special Needs and Early Childhood Education, Maasai Mara University.Im serving also as BOM chair of our Lady Girls, Nandi hills and BOM member in a number of schools. Previously work as a commander in GSU, have supervised over 20 post graduate students both Masters and PHD levels and attracted grants to the University worth over 7 Million through successful proposal.</p>
<p>2.</p>	 <p>CPA. ANDREW BUNGEI</p> <p>BOG Member CPA. Bungei K. Andrew is a seasoned Finance professional with Bachelor of Business Management in Finance and Banking (Moi University), a Certified Public Accountant (CPA-K), an active Member of ICPAK in good standing. Finance and Accounts professional with over 15 years' vast experience both in Public and Private sector. He worked at CMC Motors Group Ltd as an Accountant & Administrator and currently working with The Ministry of Health State Department for Public Health and Professional Standards under Kenya Medical Training College as a Senior Accountant.</p>


<p>3.</p>	 <p>Mr. Charles Kisigwa Ikutwa</p>	<p>BOG Member Mr. Charles Kisigwa Ikutwa MA. Development studies; BSc. In Agriculture (Agricultural finances); Diploma in Range Management Date of Birth: 2nd July 1967. 5 Years' experience as Technical Officer Range Management Division- Ministry of Livestock Development. 17 Years' experience as Farm Manager Ministry of Agriculture and Livestock Development. 3 Years' experience as Consultancy on Training on Range Management, Farm Management, Livestock Production and Agriculture and Food Security.</p>
<p>4.</p>	 <p>Mrs. Angeline Kyololo</p>	<p>BOG Member Mrs Angeline Kyololo MBA. Business Administration; BBM Purchasing and Supplies (Management Option);DPM. Business Management Date of Birth: 5th May 1968. 20 Years' experience as Junior Bookshop Assistant in Moi University. 5 Years' experience as Bookshop Assistant in Chepkoilel Assistant. 13 Years' Experience as Administrative Assistant in University of Eldoret.</p>
<p>5.</p>	 <p>Mr. Tarus J. Barkebo</p>	<p>BOG Secretary Mr. Tarus J. Barkebo Holds a Bachelors Degree in Education Technology (power mechanic option) Dip in Technical Education, Diploma in Agricultural Engineering. He has served earlier in varous institutions in varous capacities, Industry, class tutor Technical Arways co- odinator, Assistant Registrar, Dean of students and Deputy Principal Administration. He has an experience of 26years in Training.</p>

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<p>6.</p>	 <p>MR. DAVID NGANGA</p>	<p>BOG Member CDTVET County Director of TVETS Nandi, Uasin Gishu and Elgeyo Marakwet MBA MOI University BSC Mechanical engineering PS Representative SDTVET</p>
<p>7.</p>	 <p>MS. MAGDALINE CHEKEMOI</p>	<p>BOG Member MS. MAGDALINE CHEPKEMOI Chepkemoi Magdaline is a Kenyan tech innovator and entrepreneur with over 12 years of experience in technology, business development, and mentorship. As the CEO and Founder of Eldohub, she spearheads initiatives that empower youth, women, and marginalized groups through digital skills, business coaching, and innovative technology solutions. With a solid academic foundation, including a Master's in Mobile Telecommunication and Innovation from Strathmore University, she blends technical expertise with entrepreneurial vision. Chepkemoi has led transformative projects such as the Miliki Business Accelerator, Sasakazi digital platform, and North Rift Women in STEM, reaching over 25,000 youth and women across Kenya and beyond. Her leadership extends to roles like, former Chairperson of the Association of Countrywide Innovation Hubs, former world ambassador Women Entrepreneurship Day, Current Chairperson Innovation and Digital</p>

		<p>Economy at Kenya National Chamber of Commerce and Industry and Director at the Uasin Gishu Chamber of Commerce. Recognized with awards like the Head of State Commendation, and the Anita Borg Pass It On Award, she is celebrated for her contributions to science, technology, and economic empowerment and was Named among top 25 women in the digital space and among the 20 faces of science in Kenya. A Mandela Washington Fellow, Tec women fellow, Alibaba e-founder's fellow and advocate for STEM and Innovation.</p>
8.	 <p>MR. MARK KIREGER</p>	<p>BOG Member MR. MARK KIREGER Mark Kireger holds a First-Class Bachelor's Degree in Food Science and Technology from Egerton University. He has 17 years of experience in the Food industry, initially working as a Lab analyst with UNGA Limited. Currently working with Eastern Produce Kenya Limited as a Group Manager, having risen the ranks from a Management Trainee position a decade and a half ago. Key roles in the current position includes: Planning and coordinating estate operations, including new tea development, timber planting, and harvesting cycles and labour utilization, factory operations, and maintenance activities on company equipment and machinery. Overseeing the Implementation and monitoring of the environmental and social management standards. Conducting training needs assessment, setting performance targets, and carrying out performance appraisals for the estate's management staff. Management of the estate's financial expenditures both capital and revenue, to be within the established budget and</p>

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		<p>financial reporting done within the established timelines, including overseeing the Estate budget preparation and its effective implementation with proper cost control measures to reduce the cost of production. Chairman of the Occupational Safety and Health Committee; planning committee meetings, plant safety inspections, and overseeing the implementation of the company's OSH policy.</p> <p>Other roles include being a member of the Tea Board of Kenya Technical committee on Good Manufacturing Practices, Member, Board of Directors Hills NWDT SACCO, Member, Board of Management, Taboiyat Secondary School.</p>
9.	 <p>DR. LAWRENCE KIPRONO LETTING</p>	<p>BOG Member Dr. Lawrence Kiprono Letting</p> <p>Dr Lawrence kiprono letting holds Doctor of Philosophy Degree in technology, electrical engineering (electrical power system) (2014) Tshwane university of technology Pretoria , south Africa Masters of science, electric and electronic engineering (power electronic) (2008), Jomo Kenyatta University of agriculture technology, Nairobi, Kenya Bachelor of science, electrical engineering (2001) , second class honours, upper division, Jomo Kenyatta university of agriculture & technology, Nairobi Kenya A senior lecture, Moi University Eldoret Kenya. Department of electrical & communication engineering Senior lecturer, open university of kenya, department technology education, on development from moi university –</p>

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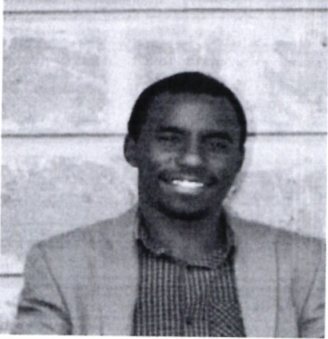
		<p>External examiner, Masindi Mulirio university of science and technology, Kakameka , Kenya Professional membership Engineers board of kenya, graduate engineer International solar energy society (ISES), Professional member</p>
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4. Key Management Team

	Member/ Director	Details
1.	 <p>Mr. Tarus J. Barkebo</p>	<p>BOG Secretary Mr. Tarus J. Barkebo Holds a Bachelors Degree in Education Technology (power mechanic option) Dip in Technical Education, Diploma in Agricultural Engineering. He has served earlier in varous institutions in varous capacities, Industry, class tutor Technical Drawing co- odinator, Assistant Registrar, Dean of students and Deputy Principal Administration. He has an experience of 27years in Training.</p>
2.	 <p>Mr. Richard Kiprop</p>	<p>Deputy Principal Richard Kiprop MSc. Biotechnology; Bsc. Education. 18 Years training experience in Kaiboi, Eldoret Polytechnic, Chepsirei and Emgwen TVC 7 Years' experience as Deputy Principal in Chepsirei and Emgwen TVC.</p>

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<p>3.</p>	 <p>Mr. Ezekiel Limo</p>	<p>Deputy principal academics Mr. Ezekiel Limo Bse Education Applied science 11 Years' experience teaching in secondary school 7 years experiences in training Ollessos National polytechnic 1.5 years as Deputy Principal Administration Tinderet Integrated Technical and trainers college 3 Months as deputy Principal Academics</p>
<p>4.</p>	 <p>Mr. Oscar Kiprono</p>	<p>Registrar Mr. Oscar Kiprono Bsc. Education Technology. 4 Years' Training experience in Emgwen Technical and Vocational College. 4 Years' experience as Registrar Emgwen TVC.</p>

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5.	 <p>Mrs. Lilian Nyanchama Gisemba</p>	<p>Dean of Students Mrs.Lilian Nyanchama Gisemba Bsc. Education Technology. 4 Years Training Experience in Emgwen Technical and Vocational College. 3. Years' experience as Dean of Student in Emgwen TVC.</p>
6.	 <p>CPA Koin Isaac Kimutai</p>	<p>Finance Officer CPA Koin Isaac Kimutai BSc. Commerce (Accounting), CPA (K) Second class honours, upper division, Kisii University Date of birth 1st September 1989 11 years' experience as a Bursar at Chepkoiyo Sec. School. 2 years' experience as Finance Officer at Emgwen TVC</p>
7.	 <p>MR. EliudKipkoech</p>	<p>Eliud Kipkoech Diploma in Business Administration 2. Years Training Experience in Emgwen Technical and Vocational College 2. Year experience in procurement Office in Emgwen TVC 1 Year experience in Finance Office in Emgwen TVC</p>

5. Chairman's Statement

During the year the institute was able to register eight more courses in various department with TVETA. This was in line with the commitment to the Institute Strategic goals and the Governments Bottom up Economic transformational agenda (BETA).The College also had a great support from the Nandi County Government as well as the Constituency development fund (NG-CDF) of Emgwen and Nandi Hills constituencies through sponsorship of a number of students in the College. The college still has some challenges including low trainees enrolment and insufficient funds and training Equipment and Materials. The institution does not have enough training, technical and essential service personnel however some of these issues are being addressed by the Ministry of Education through State Department of Vocational and Technical Training and board of governors .

The following were key activities witnessed in the course of the year include, rigorous marketing of institute courses, development and establishment of nine (9) key Policies, internal audit and external audit of the Institute Financial operations.

The college had an improved student enrolment from 126 students to now 296 students.

The institute over the year got a tremendous support from the Nandi County government and the Emgwen Constituency Development Fund (NG-CDF) which has helped in enrolment of students.



.....

Chairman of the Board

Emgwen TVC

Date: 19/11/2025

6. Report of the Principal

During this year the College was able to review its policies which including the Human resource policy, Risk Management policy, Fees Policy, Financial Policy, Industrial Attachment, Policy and Academic Policy.

There was a small increase of student enrolment 169 students and were validated by KUCCPS. The students received a capitation of Ksh 13,000 this meant capitation arrears for the old students.

The college also received great support from the NG CDF Emgwen Constituency who supported our students (177) to a total of Ksh. 2,389,500.00 whereas the Nandi Hills Constituency development fund supported seven (5) students at a total of Ksh. 50,000.

The challenge of low enrolment has persisted and the management has engaged the local leadership especially the National Government Administrative Officers to go deeper to the communities to enable college get students. Further, the college management will endeavour to work with the NG-CDF Emgwen Constituency office together with the Nandi County Governor's office to get sponsorship for students hence increase enrolment.



.....
Principal

Emgwen TVC

Date:.....19/11/2025.....

7. Statement of Performance against Predetermined Objectives

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

The College has 12 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 22- FY 27 These strategic pillars are as follows:

Pillar/ theme/issue 1: Land

Pillar/ theme/ issue 2: Information Communication Technology

The college develops its annual work plans based on the above 12 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2024/25 period for its 12 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Results
Issue 1	Land	To land acquire land ownership document.	Liasise with land registry and NG CDF Office	Acquired land title deed.
Issue 2	Information communication technical	To ensure digitalization of information	Installed functional modern computer tables	Installed functional computer lab
Issue 3	Quality assurance	To ensure quality service delivery	Quality standards	Quality improvement
Issue 4	Gender and disability mainstreaming	To ensure that there is equity in gender and disability in all opportunities	Number of women and people with disability	Women and people with disability
Issue 5	Community service	To be socially responsible to the community well being	Operational funded projects with the community	Enhance community relationship
Issue 6	Trainers and support welfare	To promote growth and development of trainers and support staff well being	Training programs	Enhance teaching capacity

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Issue 7	Student welfare	To promote growth and development of student wellbeing	Student organisational and leadership	Assisting students during bereavements
Issue 8	Water	To ensure adequate supply and efficient usage of clean water	Availability of water	Harvesting rain water and enhancing piped water supply
Issue 9	Income generation and resource allocation	To provide sustainable project for institutional growth	Tea plantation	Tea production
Issue 10	Environmental	To provide eco- friendly environment	Number of planted trees	Planted trees
Issue 11	Sports	To promote sporting activities	Number of sports introduced	Introduce sports
Issue 12	Image of the institution	To brand institution for its uniqueness	Good informative billboards	Erect billboards posters for signage

8. Corporate Governance Statement

In the financial year 2024/2025 new board was appointed towards the end of the year by the cabinet secretary, Ministry of Education. A committee proposal for, appointment of the board members was set and chaired by the county TVET director for the region and their persons were proposed on each of the following as stipulated in the second schedule of the TVET Act 2013. Chairperson leadership and management, Financial management, technology, industry, and information communication technology. Therefore, seven (7) members of the board was appointed based on the above position.

The new board was inaugurated on the 16th May 2025 had three committee meeting to close the year. The communication on board remuneration those and governance was done during the board inauguration and the circular on the board remuneration was done.

The board established there committee, Finance administration and strategy committee and the academic and research committee.

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9. Management Discussion and Analysis

The institute's operational and financial performance

By the end of the financial year 2024/2025, the exchequer had dispersed capitation grants and scholarship totalling Ksh 5,295,941.10 for all quarters. Internally generated income from farm and computer packages was Kshs 271,046 and 43,000 respectively. Whereas recurrent expenditure stood at Ksh. 12,089,512.71 including depreciation expenses of Ksh. 2,087,750.71. The total assets at the end of financial year include cash and cash equivalent of Ksh. 76,678,172.51

(ii) The College compliance with statutory requirements

The college complies with its statutory obligations that include NSSF, NHIF and there is no pending obligation in regards to these obligations

(iii) Key projects and Investment decisions the college has implemented

There were no major projects undertaken in the college however the management embarked on improving on the

- (i) Tea production in the college farm.
- (ii) Purchase of training materials
- (iii) Training and building of staff
- (iv) Purchase of student seats

The Management has done letters seeking donor support for ICT training materials and is wait for fruitful support from a donor soon.

(iv) Risks and opportunity

The opportunities include

- a) HELB, CDF and County Government bursary available
- b) Demand for technical training
- c) Increase in number of potential candidates clearing KCSE
- d) Partnering with industries and other Institutions
- e) Expanding courses offered in the college

There are challenges that pose as a risk. These are

- Inadequate training equipment
- Inadequate PSC trainers
- Delayed disbursement of GOK grants and capitation

(v) Material arrears in statutory obligations

There is no financial probity and serious governance issues affecting the college

Key projects and investment decisions the institute is planning/implementing.

Capital projects are key to the growth and development of institute given its continued expansion and improvement of the required physical facilities to accommodate increasing population.

During the quarter under review, the major projects undertaken included

1. Renovation and equipping of Jitume ICT laboratory
2. Construction of a pit latrine.
3. Training and capacity building.

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The major challenges in implementation of the we are experience is limited funds. We have however request Emgwen NG CDF to fund Jitume ICT Lab and pit latrine

Major risks and opportunities

Opportunities

- Diversity of training programmes
- Increasing demand for technical education
- Strategic location proximity to industry
- Harmony and good relationship with the community
- Existence of HELB, NG CDF and other bursaries
- Partnership with other institution
- Placement of trainees by KUCCPS

The entities challenges

- Inadequate classrooms
- Inadequate PSC trainers
- Lack of hostels
- Constrain budgetary allocations
- Delay disbursement of GOK and fees for sponsored students.

Material arrears in statutory/financial obligations

There is no materials arrears in statutory financial obligation

The institute's financial probity and serious governance issues

There is no financial probity and serious governance issue affecting the institute.

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

The college continues to strife to ensure the college environmental sustainability through its annual financial reports to the various government agencies, greening reports sent to the ministry on quarterly basis. To ensure that the college gets the community support the college participates in improving some of the water lines existing in the area by engaging some of the students in repair and maintenance processes.

Environmental performance

The college is yet to develop and establish an Environmental policy however the college has already established a nursery bed unit for establishing tree seedling to produce seedlings for the college and the community. The challenges here majorly is availability of water during the dry spell. This however can be mitigated by investing on water harvesting in the college.

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Employee welfare

The college has established a Human Resource and Management policy which is reviewed after every two years. The policy considers the employment of workers on the two thirds gender rule. The workers in the college are employed by the Board of Governors and others by the Public service commission (PSC). The college does a routine yearly public health inspection and has installed a lightening arrestor and fire extinguishers as required by occupational safety and health act, 2007 (OSHA)

Market place practices-

The organisation efforts to:

a) Responsible competition practice.

The college has developed various policies example the Human Resource and the Finance Policy to guide on employment and fees payment. These has also helped to generate control tools that help in mitigating against corruption. The college has an approved procurement plan that has helped us ensure our suppliers are paid on time.

b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

c) Responsible marketing and advertisement

The Institute has attended exhibitions organised by the various Constituencies within the region.

d) Product stewardship

The college has continued to improve staff abilities through various capacity Building workshops.

Corporate Social Responsibility / Community Engagements

The college has been involved in visiting the neighbouring homes in times of bereavement and offer charitable cash to assist the affected families. The college has also joined together with the community in fencing of the water dam

11. Report of the Board of Governors

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

Principal activities

The principal activities of the entity is to train.

Results

The results of the entity for the year ended June 30 are set out on page 1-7

Board of Governors

The members of the Board who served during the year are shown on page ix-xiv. During the year no director retired/ resigned.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Nairobi

Date:

19/11/2025

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 - (entities should quote the applicable legislation under which they are regulated)) require the board members to prepare financial statements in respect of that college, which give a true and fair view of the state of affairs of the college at the end of the financial year/period and the operating results of the college for that year/period. The board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The board members are also responsible for safeguarding the assets of the college.

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

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

In preparing the financial statements, the Principal has assessed the college's ability to continue as a going concern

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


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Approval of the financial statements

The college's financial statements were approved by the Board on 28/6/2025 2025 and signed on its behalf by:



.....
Name DR. NAFALU COP
Chairperson of the Board



.....
Name TORRE J. BAKWESHO
Accounting Officer/Principal

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON EMGWEN 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.

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the 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

Adverse Opinion

I have audited the accompanying financial statements of Emgwen Technical and Vocational College set out on pages 1 to 59, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of Emgwen 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 do not comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in Presentation and Disclosures in Financial Statements

Review of the financial statements revealed that they contained errors, omissions, misstatements, misrepresentations, inaccuracies and non-conformity to the International Public Sector Accounting Standards as indicated below;

1.1 Disclosure and Presentation in Financial Statements

The corporate governance statement on page (xxii) of the financial statements is incomplete, as it does not provide disclosures relating to the Board of Directors, including details on their appointments, roles and functions, induction, training and development, meetings, continuity and succession planning, evaluation, committees, remuneration, management of conflict of interest, and policies governing the conduct of the Board.

Further, the Management Discussion and Analysis on page (xxiii) reports a cash and cash equivalents balance of Kshs.76,678,173 at year-end, whereas the statement of financial position reflects a balance of Kshs.3,261,397, resulting in a material inconsistency. In addition, the Report of the Independent Auditor and the Statement of Board of Governors' Responsibilities appear on the same page, contrary to recommended presentation practices.

In the circumstances, the accuracy of presentation and disclosures in the financial statements could not be confirmed.

1.2 Inaccuracies in Financial Statements

A comparison of the comparative balances and the previous year certified financial statements revealed the following variances;

Component	Comparative Balance in the 2024-2025 Financial Statements (Kshs)	Balance in the Certified 2023-2024 Financial Statements (Kshs)	Variance (Kshs)
Cash and Cash equivalents	1,350,114	159,495	1,190,619
Current portion of receivables from exchange transactions	3,310,105	5,569,901	(2,259,796)
Inventories	-	155,500	155,500
Property, plant and equipment	62,963,132	62,067,963	895,169
Long term receivables from exchange transactions	41,200	-	41,200
Accumulated surplus	8,506,372	9,186,588	680,216
Capital Fund	57,392,317	58,766,271	(1,373,954)

1.3 Misstatements in Statement of Financial Performance

The statement of financial performance reflects total revenue amount of Kshs.12,763,571. However, recast reveals an amount of Kshs.12,813,571 resulting to an unexplained and unreconciled variance of Kshs.50,000. In addition, statement of financial performance reflects transfers from other national government units amount of Kshs.5,295,942 while the corresponding Note 6 to the financial statements reflects an amount of Kshs.5,245,942 resulting into an unexplained and unreconciled variance of Kshs.50,000

1.4 Variances Between the Statement of Financial Position and Notes to the Financial Statements Amounts

Review of the statement of financial position and Notes to the financial statements revealed the following variances;

Component	Note	Statement of Financial Position (Kshs)	Notes to the Financial Statements (Kshs)	Variance (Kshs)
Cash and cash equivalents	26	3,261,397	3,261,239	158
Receivables from non -exchange transactions	28	5,245,942	5,295,941	(49,999)
Property, plant and equipment	32	62,607,646.00	62,607,656	(10)

1.5 Inaccuracies in the Capital Fund

The statement of financial position reflects capital fund balance of Kshs.78,500,648 while the statement of changes in net assets reflects a balance of Kshs.76,370,556 resulting into an unexplained and unreconciled variance of Kshs.2,130,092.

1.6 Misstatements in Cashflow Statement

Note 47 to the financial statements reflects Nil net cash flows from operating activities. However, net cash flows from operating activities disclosed in statement of cashflow reflects a balance of Kshs.2,761,918.

In addition, statement of cashflows reflects cash and cash equivalents balance of Kshs.3,261,397. However, a recast revealed a balance of Kshs.1,115,588 resulting into an unexplained and unreconciled variance of Kshs.2,145,809.

Further, the statement of cashflows reflects purchase of property, plant and equipment amount of Kshs.1,805,824 while Note 32 to the financial statement reflects additions to property, plant and equipment amount of Kshs.2,850,824 resulting into an unexplained and unreconciled variance of Kshs.1,045,000.

1.7 Misstatements in Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects sale of goods actual on comparable basis amount of Kshs.314,046 while the statement of financial performance reflects sales of goods amount of Kshs.271,046 resulting into an unexplained and unreconciled variance of Kshs.43,000.

Further, Management did not provide budget reconciliation between the actual surplus amounts as per the statement of comparison of budget and actual amounts of Kshs.2,761,918 and closing cash and cash equivalent as per statement of cashflow of Kshs.3,162,397.

1.8 Misstatements in Statement of Financial Position

The statement of financial position reflects net assets balance of Kshs.76,320,313 and capital fund and reserves balance of Kshs.78,500,648. The statement of financial position was therefore out of balance by an amount of Kshs.2,180,335.

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

2. Non-Provision of Trial Balance

The trial balance was not provided for audit review, therefore it was not possible to confirm the accuracy of the amounts and balances in the financial statements.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

3. Unsupported Revenue from Exchange Transactions

The statement of financial performance reflects rendering of services-fees from students, sale of goods and miscellaneous income amounts of Kshs.7,203,583, Kshs.271,046 and Kshs.43,000 all totaling to Kshs.7,517,629 as disclosed in Notes 10,11 and 14 to the financial statements. However, the supporting schedules were not provided for audit review.

In the circumstances, the accuracy and completeness of revenue from exchange transactions amount of Kshs.7,517,629 could not be confirmed.

4. Anomalies in Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.62,607,646 as disclosed in Note 32 to the financial statements. However, review of the records revealed the following anomalies;

4.1 Unsupported Property, Plant and Equipment

Property, plant and equipment balance of Kshs.62,607,646 was not supported by the detailed schedule indicating the asset description, location, cost or valuation and relevant documentations for additions during the year.

4.2 Non-Valuation of Assets

There was no documentary evidence provided to indicate the exact value of the assets since there was no valuation report from a recognized valuer. This was in contravention to Paragraph 44 (Revaluation Model) of International Public Sector Accounting Standards (IPSAS) No.17, Property, Plant and Equipment, which states that after recognition as an

asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

4.3 Lack of Depreciation and Amortization Policy

The statement of financial performance reflects depreciation and amortization expense amount of Kshs.2,065,009 as disclosed in Note 18 to the financial statements. However, the College did not provide a policy on depreciation and amortization.

In the circumstances, the accuracy, completeness and valuation of the property, plant and equipment balance of Kshs.62,607,646 could not be confirmed.

5. Non-Disclosure of Biological Assets

The statement of financial position reflects Nil balance of biological assets as disclosed in Note 35 to the financial statements. However, the College did not disclose in the financial statements the value of the tea plantation and trees that are within the compound and owned by the College contrary to the provisions of International Public Sector Accounting Standards (IPSAS) No.27 Agriculture which outlines the accounting treatment for agricultural activity, the biological treatment and harvest of biological assets and conversion into agricultural produce. In addition, the statement of financial performance reflects sale of goods amount of Kshs.271,046 as disclosed in Note 11 to the financial statements which was not supported by schedules showing the quantities and market price of the farm produce sold.

In the circumstances, the accuracy and completeness of biological assets of Nil balance and could not be confirmed.

6. Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.3,261,397 as disclosed in Note 26 to the financial statements. However, the certificate of bank balances, board of survey, bank reconciliation statements and cash books were not provided for audit review.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.3,261,397 could not be confirmed.

7. Unsupported Receivables from Exchange and Non-Exchange Transactions

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.7,203,583 and receivables from non-exchange transactions balance of Kshs.5,245,942 as disclosed in Notes 27(a) and 28 respectively to the financial

statements. However, the College did not have an approved debt recovery policy, casting doubt on how debts lasting more than two years would be recovered. Also, the receivables from exchange and non-exchange transactions were not supported by schedules and ageing analysis showing how long the receivables have remained outstanding.

In the circumstances, the existence, accuracy, and completeness of the receivables from exchange and non-exchange transactions balances of Kshs.7,203,583 and Kshs.5,245,942 respectively could not be confirmed.

8. Unsupported Trade and Other Payables from Exchange Transactions

The statement of financial position reflects trade and other payables of Kshs.2,139,135 as disclosed in Note 36 to the financial statements. However, the balance was not supported with a ledger showing the opening balance, additions and payments in the year to arrive at the closing balance. In addition, the balance was not supported by creditors management policy. Further the balance of Kshs.2,139,135 was not supported by procurement records, supplier invoices and creditor ledgers and creditors register indicating the items that were supplied or services rendered. Also, the aging analysis for the balances to establish how long the payables had been outstanding were not provided for review.

In the circumstances, the accuracy, completeness and ability of the College to settle the outstanding trade and other payables balance of Kshs.2,139,135 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.18,999,150 and Kshs.12,763,571 respectively resulting to an under-funding of Kshs.6,235,579 or 33% of the budget. Similarly, the College incurred actual expenditure of Kshs.10,001,653 against actual receipts of Kshs.12,763,571 resulting to under expenditure of Kshs.2,761,918 or 22% of the actual receipts.

The underfunding and under-absorption affected the planned activities and may have impacted negatively on service delivery in the College.

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 Adverse Opinion, 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, several issues were raised under the Report on Financial Statements. However, Management has not resolved the issues or given any explanation for failure to resolve them contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for national government entities to try to resolve any issues resulting from an audit that remain outstanding. Refer to **Appendix I**

Other Information

The Management is responsible for the Other Information set out on pages (iv) to (xxviii) which comprise of Acronyms and Definitions of Key Terms, Key College 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 Statement, Report of the Board of Governors and Statement of Board of Governor's 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources sections of my report, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Lack of Approved Annual Estimates of Revenue and Expenditure

During the year under review, the College operated without an approved budget contrary to the provisions of Section 22 (1) and (2) of the Second Schedule of the Technical and Vocational Education and Training Act, 2013 which states that Board of Governors of a public institution shall prepare annual estimates of revenue and expenditure for the institution under its charge, in such form and at such times as the Cabinet Secretary may prescribe and that the Board may incur expenditure for the purpose of the institution in accordance with estimates approved by the Cabinet Secretary and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.

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

2. Irregular Transfer of Funds to the Kenya Association of Technical Training Institutions

The statement of financial performance reflects use of goods and services amount of Kshs.8,143,591 which further includes activity fees amount of Kshs.324,784 as disclosed in Note 15 to the financial statements. Included in the activity fees amount of Kshs.324,784 is an amount of Kshs.236,144 in relation to facilitation of officers and subscriptions to the Kenya Association of Technical Training Institutions (KATTI) which is a welfare organization that is not defined in Government funding and there is no assurance that it has implemented effective, efficient and transparent financial management and internal control systems to manage the funds transferred by College.

In the circumstances, the Kshs.236,144 transferred to Kenya Association of Technical Training Institutions (KATTI) could not be verified as a proper charge on public funds.

3. Non-Commitment to Climate Change Agreement

Review of the College's records and physical verification of its infrastructure revealed that the Management did not have a policy on climate change adaptation, had not undertaken an environmental social impact assessment, and had not conducted environmental

audits, contrary to the requirements of the Environmental Management and Coordination Act (EMCA), CAP 387.

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

4 . Failure to File Annual Self-Evaluation Report

The College did not file an annual self-evaluation report to the Technical and Vocational Education and Training Board on the developments made in the College's physical infrastructure and trainings carried out during the year contrary to Section 41 of the Technical and Vocational Education and Training Act, 2013 which requires every accredited institution to file its annual self-evaluation report giving details of developments made in the institution's physical infrastructure and trainings carried out during the year and that failure to comply constitutes an offence under the Act.

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

5. Non-Compliance with Data Protection Law

The Emgwen Technical and Vocational College collects and processes employee, supplier, student and other stakeholder data, including mobile phone numbers, national exam registration numbers and results, birth dates, national identification and passport numbers, Kenya Revenue Authority (KRA) Personal Identification Numbers (PIN), companies' registration numbers, employee data among others. Review of the data management at the College revealed the following breaches of the data protection law;

- (i) The College had not registered with the data commissioner as a data controller and data processor, respectively, contrary to Section 18(1) of the Data Protection Act, 2019 which requires all data controllers and processors to be registered with the Data Commissioner.
- (ii) The College has unlimited access to students' personal and sensitive data despite not being registered both as a data controller and a data processor, hence breaching the data confidentiality principle of the Data Protection Act.
- (iii) The College had not established personal data retention schedule contrary to Regulation 19(2)(a) of the Data Protection (General) Regulations, 2021 which requires a data controller or data processor to establish personal data retention schedule with appropriate time limits for the periodic review of the need for the continued storage of personal data that is no longer necessary or where the retention period is reached.
- (iv) The College had not established appropriate time limits for the periodic review of the need for the continued storage of personal data for any of the law enforcement purposes contrary to Regulation 19(5) of the Data Protection (General) Regulations, 2021 which states that a data controller or data processor shall establish appropriate time limits for the periodic review of the need for the continued storage of personal data for any of the law enforcement purposes.

- (v) The College had not developed and published a policy reflecting its personal data handling practices, contrary to Regulation 23(1) of the Data Protection (General) Regulations, 2021, which states that a data controller or data processor shall develop, publish, and regularly update a policy reflecting their personal data handling practices.
- (vi) Management had not implemented the elements necessary to safeguard the principle of storage limitation including having in place a clear internal procedure for deletion and destruction of personal data of subjects, determining what data and length of storage of personal data that is necessary for the purpose and formulating internal retention statements of implementing them contrary to Regulation 35 of the Data Protection (General) Regulations, 2021 which states that the elements necessary to implement the principle of storage limitation include (a) having clear internal procedures for deletion and destruction; (b) determining what data and length of storage of personal data that is necessary for the purpose; (c) formulating internal retention statements of implementing them.
- (vii) There was no evidence that Management of the College conducts a data protection impact assessment before processing of students' data contrary to Regulation 49(2) of the Data Protection (General) Regulations, 2021 which states that a data processor or data controller shall, before processing data under sub-regulation (1) conduct a data protection impact assessment.

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

6. Non- Publication of Procurement Contracts

Review of the procurement contracts of the College revealed that procurement contracts were not published on the College's notice boards and websites. Further, no evidence was provided to indicate that the contracts were reported to the Public Procurement Regulatory Authority (PPRA). This was contrary to Regulation 131 (1)(a) and (b) of the Public Procurement and Asset Disposal Regulations, 2020, which stipulates that an accounting officer of a procuring entity shall, publish and publicize all procurement contracts at its notice boards and websites within fourteen days after signing the contract; and report all signed contracts to the Authority within fourteen days after the end of every month in the format provided by the Authority.

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

7. Non-Compliance with 30% Procurement Reservation

Review of the procurement planning and processes of the College revealed lack of documentary evidence to indicate that the Management reserved thirty percent (30%) of its procurement opportunities for youth, women, and persons with disabilities contrary to Section 157 (10) of the Public Procurement and Asset Disposal Act, 2015 which requires every procuring entity to ensure that at least thirty percent of its procurement value in every financial year is allocated to the youth, women and persons with disability. This non-compliance undermines inclusivity and economic empowerment objectives.

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

8. Failure to Conduct Annual and Quarterly Stock Take

During the year under review, the Management did not carry out quarterly and annual stock take contrary to Section 162(2) of the Public Procurement and Asset Disposal Act, 2015 which states that the head of procurement function shall arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the accounting officer.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Weakness in Board Management

The statement of financial performance reflects board expenses amount of Kshs.201,710 as disclosed in Note 17 to the financial statements. However, review of the records and expenditure related to the operations of the Board of Governors revealed the following;

1.1. Failure to Conduct Board Evaluation

The board performance and evaluation reports were not provided for audit review to establish if the Management had set criteria for evaluation of the board or whether evaluation of their performance had been done. This was contrary to Section 1.12(1) and (2) of Mwongozo the Code of Governance for State Corporations, 2015 which states that the board should undertake an annual evaluation of its performance and the performance should cover the board as a whole, its committees, individual members, the chairperson, the chief executive officer and the corporation secretary.

1.2. Absence of Board Charter and Almanac

The board charter and board almanac were not provided for audit review. This was contrary to Paragraph A (1) of circular No. OP/CAB.9/1A issued by the office of the President dated 11 March 2020 which states that all Boards of Directors are required to submit their annual Almanac to the State Corporations Advisory Committee (SCAC) through the parent Ministry by 30 June of every year. It is also contrary to Governance Parameter 1.11 on Board Charter in Chapter 1 of Mwongozo, the Code of Governance for State Corporations, 2015 which states that the Board should develop and adopt a Board charter, which should define the role, responsibilities and functions of the Board in the governance of the organization and that the Board should periodically review its Board Charter.

1.3. Meetings of the Board of Governors

Review of the minutes of the board of governors revealed that the board held only one meeting during the year under review. This is contrary to Section E of Mwongozo which requires Board meetings to be held at least four (4) times a year and that not more than four (4) months shall elapse between the date of one meeting and the date of the next meeting.

1.4. Failure to Stagger of Board Appointments

The appointment and tenure of the Board of Governors was not staggered contrary to Section 1.14 of the Mwongozo Code of Governance for State Corporations, which requires the appointing authority to ensure the tenures of Board members are staggered to facilitate a phased transition. This provision is intended to preserve institutional memory, provide continuity in leadership, and avoid disruptions in governance when board membership changes.

In the circumstances, the effectiveness of the Board of Governors oversight could not be confirmed.

2. Weak Information Communication Technology (ICT) Environment

Review of the Information Communication Technology (ICT) internal control environment of the College revealed that it did not have an Information Technology (IT) Strategic Committee, an IT Strategic Plan, or an IT Steering Committee, which are important for performing oversight functions and formulating policies to ensure that the IT department functions effectively in assisting the achievement of organizational objectives in an economical, efficient, and effective manner. There was no training, transfer of skills, IT department staff backup and retention strategy implemented, implying that in case a disaster occurs, the College may not continue offering services.

Further, there was no proper control of physical access to sensitive areas (such as the computer room) which are vital in the effective and efficient management of the College's IT resources. In addition, the College did not have the periodic IT reports, which are

supposed to assess the status of implementation of IT systems and suggest corrective measures.

In the circumstances, the controls over ICT Infrastructure could not be confirmed.

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

Responsibilities of the Management and Board of Directors

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

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

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

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

The Board of Directors 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, SBS
AUDITOR-GENERAL

Nairobi

04 December, 2025

Appendix I

Unresolved Prior Year Matters

	Financial Year	Audit Issue
		Disclaimer of Opinion
1	2023/2024	Presentation, Accuracy and Disclosure of Financial Statements
2	2023/2024	Inaccuracy in the Statement of Cash Flows
3	2023/2024	Inaccuracies in the Statement of Comparison of Budget and Actual Amounts
4	2023/2024	Unsupported Revenue from Exchange Transactions
5	2023/2024	Unsupported Use of Goods and Services
6	2023/2024	Unsupported Receivable Balances
7	2023/2024	Unconfirmed Cash and Cash Equivalents
8	2023/2024	Anomalies in Property, Plant and Equipment
9	2023/2024	Lack of Land Ownership Documents
10	2023/2024	Budgetary Control and Performance
11	2023/2024	Late Submission of Financial Statements
12	2023/2024	Lack of an Approved Human Resource Policy Manual, Career Progression Guidelines and Staff Establishment
13	2023/2024	Use of Non-Prequalified Firms
14	2023/2024	Repairs and Maintenance
15	2023/2024	Lack of Credit Policy and Aging Analysis for Trade and Other Payables
16	2023/2024	Lack of Risk and Fraud Management Policies
17	2023/2024	Non-maintenance of an Imprest Register

Emgwen 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	Year ended 30 June 2025	Year ended 30 June 2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	5,295,942	4,574,867
Grants from donors and development partners	7	-	-
Transfers from other levels of government	8	-	-
Public contributions and donations	9	-	-
Revenue from Exchange transactions		5,295,942	4,574,867
Rendering of services- fees from students	10	7,203,583	14,303,378
Sale of goods	11	271,046	320,803.30
Rental revenue from facilities and equipment	12	-	-
Finance income	13	-	-
Miscellaneous income	14	43,000	65,812
Revenue from Exchange transactions		7,517,629	14,689,993
Total Revenue		12,763,571	19,264,860
Expenses			
Use of goods and services	15	8,143,591	5,768,259
Employee costs	16	1,579,192	1,621,411
Board	17	201,710	780,930
Depreciation and amortization expense	18	2,065,009	1,662,208.35
Repairs and maintenance	19	77,160	245,464
Contracted services	20	-	-
Grants and subsidies	21	-	-
Finance costs	22	-	-
Total Expenses		12,066,662	10,078,272
Other Gains/(Losses)			
Gain on sale of assets	23	0	0
Gain/ Loss on fair value of investments	24	0	0
Impairment loss	25	0	0
Total Other Gains/(Losses)		0	0
Net surplus for the year		696,909	9,186,588

The notes set out on pages 09 to 55 form an integral part of the Annual Financial Statements.

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

The Financial Statements set out on pages 01 to 07 were signed by:

		
.....
Chairman of Board	Principal	Finance Officer
Date 19/11/2025	Date 19/11/2025	ICPAK No 20493 Date 19/11/2025

Emgwen Technical and Vocational College
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15. Statement of Financial Position As At 30th June 2025

Description	Notes	Year ended 30 June 2025	Year ended 30 th June 2024
Assets			
Current Assets			
Cash and cash equivalents	26	3,261,397	1,350,114
Current portion of receivables from exchange transactions	27(a)	7,203,583	3,310,105
Receivables from non-exchange transactions	28	5,245,942	-
Inventories	29	140,870	-
Investments in financial assets	30	-	-
Prepayments	31	-	-
Total Current Assets		15,851,792	4,460,219
Non-Current Assets			
Long term receivables from exchange transactions	27(b)	41,200	41,200
Investments	30	-	-
Property, plant, and equipment	32	62,607,646	62,963,132
Intangible assets	33	-	-
Investment property	34	-	-
Biological Assets	35	-	-
Total Non-Current Assets		62,648,856	62,963,132
Total Assets (A)		78,500,648	67,423,350.52
Liabilities			
Current Liabilities	h		
Trade and other payables from exchange transactions	36	2,139,135	1,286,000
Refundable deposits from students	37	41,200	41,200
Current provisions	38	-	-
Finance lease obligation	39	-	-
Deferred income	40	-	-
Employee benefit obligation	41	-	-
Payments received in advance	42	-	-
Current portion of borrowings	43	-	-
Social Benefits	46	-	-

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Description	Notes	June 2025	
		KShs	KShs
Total Current Liabilities		2,180,335	1,524,662
Non-Current Liabilities			
Finance lease obligation	39	-	-
Deferred income	40	-	-
Non-Current Employee Benefit Obligation	41	-	-
Non- Current Borrowings	43	-	-
Non-Current Provisions	44	-	-
Service Concession Liability	45	-	-
Social benefits	46	-	-
Total non- current liabilities		2,180,335	1,524,662
Total Liabilities (B)		2,180,335	1,524,662
Net Assets (A-B)		76,320,313	65,898,689
Represented By:			
Revaluation Reserves		-	-
Accumulated Surplus			8,506,372
Capital Fund		78,500,648	57,392,317
Net Assets		76,320,313	65,898,689

The Financial Statements set out on pages 01 to 07 were signed by:



Chairman of Board

Date 19/10/2025



Principal

Date 19/10/2025



Finance Officer

ICPAK No 26473
Date 19/11/2025

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2024				
Revaluation gain	-	8,506,373	64,433,223	72,939,596
Surplus/(deficit) for the year	-	9,186,588	-	9,186,588
Capital grants received during the year	-	-	-	
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	-	17,692,960	64,433,223	82,126,183
At July 1, 2025	-			
Revaluation gain	-			
Surplus/(deficit) for the year	-	696,909	76,370,556	79,247,556
Capital grants received during the year	-			
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			
At June 30, 2025		696,909	76,370,556	79,247,556

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

Description		Year ended 30 June 2025	Year ended 30 June 2024
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		5,245,942	4,574,867
Grants from donors and development partners		-	-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
Rendering of services- fees from students		7,203,583	5,999,896
Sale of goods		271,046	320,803
Rental revenue from facilities and equipment		-	-
Finance income		-	-
Miscellaneous income		43,000	65,812
Total Receipts		12,763,571	10,961,378
Payments			
Use of goods and services		8,143,591	5,768,259
Employee costs		1,579,192	1,621,411
Board Expenses		201,710	780,930
Repairs and maintenance		77,160	245,464
Contracted services		-	-
Grants and subsidies		-	-
Total Payments		10,001,653	8,416,530
Net Cash Flows from operating activities	47	2,761,918	2,544,848
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(1,805,824)	(667,040)
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(1,805,824)	(667,040)
Cash flows from financing activities			
Proceeds From Borrowing			
Repayment Of Borrowings			
Net cash flows used in financing activities			-
Net Increase/(Decrease) in Cash and Cash equivalents		4,567,742	1,877,808
Cash and Cash equivalents at 1 JULY	26	159,494.12	
Cash and Cash equivalents at 30 JUNE	26	3,261,397	159,495

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

Description	Budget		Actual		Utilization Difference	
	2025	2024	2025	2024		
Budget carryovers from the previous year*	-	-	-	-	-	
Receipts						
Transfers from other National Government entities	2,000,000		2,000,000	5,245,942	(3,245,941)	262%
Grants from donors and development partners	-		-	-	-	-
Transfers from other levels of government	-		-	-	-	-
Public contributions and donations	-		-	-	-	-
Rendering of services- fees from students	16,519,150		16,519,150	7,203,583	9,315,567	44%
Sale of goods	480,000		480,000	314,046	165,954	65%
Rental revenue from facilities and equipment	-		-	-	-	-
Finance income	-		-	-	-	-
Miscellaneous Income	-		-	-	-	-
Total Receipts	18,999,150		18,999,150	12,763,571	6,235,579	67%
Payments						
Use of goods and services	13,810,650		13,810,650	8,143,591	5,666,950	59%
Employee costs	1,727,000		1,727,000	1,579,192	147,808	91%
Board /Council Expenses	2,412,000		2,412,000	201,710	2,210,290	8%
Repairs and maintenance	1,049,500		1,049,500	77,160	972,340	7%
Contracted services	-		-	-	-	-
Grants and subsidies	-		-	-	-	-
Use of goods and services	-		-	-	-	-
Total Expenditure Payments	18,999,150		18,999,150	10,001,653	8,997,388	53%
Capital Expenditure Payments	2,000,000		2,000,000	1,805,824.00	194,176	90%
Surplus				2,761,918		

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	2,761,918
1	Reason for differences	Unpresented cheque
2	Reason for differences	
3	Reason for differences	
4	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	3,261,571

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19. Notes to the Financial Statements

1. General Information

Emgwen TVC is established by and derives its authority and accountability from TVET Act 2015. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College principal activity is to provide training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Emgwen 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 xx. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Emgwen 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

<p>IPSAS 43: Leases</p>	<p>Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Emgwen Tvc. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p>Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement

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	<p>related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Emgwen Tvc shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Emgwen Tvc'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.

Early adoption of standards

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The Emgwen Tvc did not early – adopt any new or amended standards in the financial year or the college adopted the following standards early.

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 Emgwen Tvc 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 Emgwen Tvc 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 Emgwen Tvc.

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.

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b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on **23.02.2024**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Emgwen Tvc upon receiving the respective approvals to conclude the final budget. Accordingly, the Emgwen Tvc recorded additional appropriations of **20,999,150** on the FY 2024/2025 budget following the Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented.

c) Taxes

Current income tax

The Emgwen Tvc is exempt from paying taxes as per schedule CAP 470 of the Parliament Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Emgwen 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 the Emgwen 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. The Emgwen 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 the Emgwen 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 Emgwen Tvc. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

The Emgwen 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 Emgwen Tvc, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

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

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

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

j) Financial instruments

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

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

Financial assets

Classification

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

Subsequent measurement

Based on the business model and the cash flow characteristics, the Emgwen 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

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foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/equity are measured at fair value through surplus or deficit. A business model where the Emgwen 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

The Emgwen 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 Emgwen Tvc recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

The Emgwen 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.

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The Emgwen Tvc creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

The Emgwen Tvc regards a related party as a person or an Emgwen Tvc with the ability to exert control individually or jointly or to exercise significant influence over the Emgwen Tvc, or vice

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

t) Service concession arrangements

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

u) Cash and cash equivalents

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

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Emgwen 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 the Emgwen 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 the Emgwen Tvc.
- ▶ The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- ▶ The nature of the processes in which the asset is deployed.
- ▶ Availability of funding to replace the asset.
- ▶ Changes in the market in relation to the asset

Provisions

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

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

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6. Transfers from other National Government entities

Description	Year ended 30 th June	
	2025	2024
Unconditional Grants		
Capitation Grants	1,741,425	2,205,328
Operational Grant	2,000,000	2,000,000.00
Development grants	-	
Scholarship	1,504,516	369,540
Total unconditional Grants	5,245,942	4,574,867
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	5,245,942	4,574,867

(a) Transfers from other Government entities (Categorized)

Name of the Emgwen Tvc 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	
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	5,245,942		-	5,245,942	4,574,868
Total	5,245,942		-	5,245,942	4,574,868

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7. Grants from Donors and Development Partners

	Year ended 30 th June 2025	Year ended 30 th June 2024
JICA- Research Grant	-	-
World Bank Grants	-	-
In-Kind Donations	-	-
Donations transferred to revenue-conditions met	-	-
Other Grants (specify)	-	-
Total Grants from Development Partners	-	-

(a) Reconciliations of grants from donors and development partners

	Year ended 30 th June 2025	Year ended 30 th June 2024
Balance unspent at beginning of year		
Current year receipts	-	-
Conditions Met - Transferred to Revenue	-	-
Conditions Yet To Be Met - Remain Liabilities	-	-

8. Transfers from Other Levels of Government

	Year ended 30 th June 2025	Year ended 30 th June 2024
Transfer from County XX	-	-
Transfer from XX University	-	-
Transfer from XX Institute	-	-
Total Transfers	-	-

9. Public Contributions and Donations

	Year ended 30 th June 2025	Year ended 30 th June 2024
Public Donations	-	-
Donations from Local Leadership	-	-
Donations from Religious Institutions	-	-
Donations from Alumni	-	-
Other Donations	-	-
Total Donations and Contributions	-	-

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10. Rendering of Services

Description	Year ended 30 June 2025	Year ended 30 June 2024
Tuition Fees	3,138,066	5,043,387.50
PE	1,200,619	4,967,232.50
EW&C	465,889	542,517.50
Activity Fees	465,889	603,254
LTT	523,354	537,208
Industrial Attachment Fees	298,677	195,000
RMI	120,000	409,128
Medical fee	71,000	250,400
Examination Fees	361,200	1,412,050
Library Fees	-	-
SI	-	66,000
Registration Fees KUCCP	93,000	198,000
Caution	1,200,619	4,979,200
Total Revenue from The Rendering of Services	7,203,583	14,303,378.00

11. Sale of Goods

Description	Year ended 30 June 2025	Year ended 30 June 2024
	-	-
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	271,046	320,803
Cafeteria sales	-	-
Other sales	-	-
Total Revenue from Sale of Goods	271,046	320,803

12. Rental revenue from facilities and equipment

Description	Year ended 30 June 2025	Year ended 30 June 2024
Hire of Facilities and Equipment	-	-
Contingent Rentals	-	-
Operating Lease Revenue	-	-
Others	-	-
Total	-	-

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13. Finance Income

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Cash investments and fixed deposits	-	-
Interest income from treasury bills	-	-
Interest income from treasury bonds	-	-
Interest from outstanding debtors	-	-
Others	-	-
Total finance income	-	-

14. Miscellaneous Income

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Insurance recoveries	-	-
Consultancy fees	-	-
Income from sale of tender	-	-
Services concession income	-	-
Reimbursements and refunds	-	-
Graduation fees	-	-
Bad debts recovered	-	-
Income written back	-	-
Others	43,000	65,812
Total other income	43,000	65,812

15. Use of Goods and Services

Description		
Teaching and learning materials	1,625,351	1,523,246
Industrial attachment costs	72,000	80,760
Electricity	131,675	80,925
Water	-	-
Activity	324,784	260,644
Professional and consultancy services	-	-
Application	160,000	131,000
Advertising	192,710	227,425
Examination fees	2,193,132	875,510
Audit fees	17,000	9,000
Computer training cost	12,870	17,137
Travelling and accommodation	1,215,100	1,059,940
Student ID	1,500	12,460
Cleaning Cost	50,300	77,100
Legal expenses	-	-
Licenses and permits	-	-
Postage	-	-
Printing and stationery	460,750	329,410
Hire charges	-	-
Rent expenses	-	-
Research and development	94,500	57,800
Administrative Cost	1,330,782	776,940
Corporate Social Responsibility	15,500	8,500
Farm Cost	186,287	224,629
Driving cost	59,350	-
Bank Charges	-	15,833
Telephone expenses	-	-
Training expenses	-	-
Total good and services	8,143,591	5,768,259

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16. Employee Costs

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Salaries and wages	1,579,192	1,621,411
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Social contributions	-	-
Employee Costs	1,579,192	1,621,411

17. Board Expenses

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
Other Allowances	-	-
Other Board/Council Expenses	201,710	780,930
Total	201,710	780,930

18. Depreciation and Amortization expense

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Property, plant and equipment	2,065,009	1,662,208
Intangible assets	-	-
Investment property carried at cost	-	-
Total depreciation and amortization	2,065,009	1,662,208

19. Repairs and Maintenance

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Property	77,160	245,264
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Total Repairs and Maintenance	77,160	245,264

20. Contracted Services

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Actuarial valuations	-	-
Investment valuations	-	-
Property valuations	-	-
Other (specify)	-	-
Total contracted services	-	-

21. Grants and Subsidies

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Community Development	-	-
Education Initiatives and Programs	-	-
Social Development	-	-
Social benefits expenses	-	-
Community Trust	-	-
Sporting Bodies	-	-
Others (<i>specify</i>)	-	-
Total Grants and Subsidies	-	-

22. Finance Costs

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Borrowings (Amortized Cost)*	-	-
Finance Leases (Amortized Cost)	-	-
Unwinding of Discount from lease liabilities	-	-
Interest on Bank Overdrafts	-	-
Interest on Loans from Commercial Banks	-	-
Others	-	-
Total Finance Costs	-	-

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23. Gain On Sale of Assets

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Other Assets not capitalised	-	-
Total Gain On Sale of Assets	-	-

24. Gain/(loss) on Fair Value Investments

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Fair value on equity investments	-	-
Fair value arising from investment property	-	-
Fair value arising from biological assets	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

25. Impairment Loss

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

26. Cash and Cash Equivalentents

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Current Account	3,261,239	159,494.70
On - Call Deposits	-	
Fixed Deposits Account	-	
Staff Car Loan/ Mortgage	-	
Others (Specify)	-	
Total Cash and Cash Equivalentents	3,261,239	159,494.70

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

Financial Institution	Account number	Year ended 30 th June 2025	Year ended 30 th June 2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1178002578 7	3,162,397	159,495
Equity Bank, etc.			
Sub- Total			
b) On - Call Deposits			
Kenya Commercial Bank			
Equity Bank – etc.			
Sub- Total			
c) Fixed Deposits Account	1290412057	98,842	-
Kenya Commercial Bank			
Bank B			
Sub- Total			
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank			
Bank B			
Sub- Total			
e) Others(Specify)			
Cash in Transit			
Cash in Hand			
Mobile Money account			
Sub- Total			
Grand Total		3,261,239	159,495

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27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

	Year ended 30 th June 2025	Year ended 30 th June 2024
Current Receivables		
Student Debtors	7,203,583	-
Rent Debtors	-	
Consultancy Debtors	-	
Other Exchange Debtors	-	
Less: Impairment Allowance	-	
Total Current Receivables	7,203,583	-

27 (b) Long- term Receivables from Exchange transactions

	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Non-Current Receivables		
Refundable Deposits	41,200	41,200
Advance Payments		
Public Organizations		
Less: Impairment Allowance		
Total		
Current Portion Transferred To Current Receivables		
Total Non-Current Receivables		
Total Receivables	41,200	41,200

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	Year ended 30 th June 2025		Year ended 30 th June 2024	
	Current	% of total	Comparative FY	% of total
Less than 1 year				
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total (a+b)				

27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
At the beginning of the year	-	-
Provisions during the year	-	-
Recovered during the year	-	-
Write offs during the year	-	-
At the end of the year	-	-

28. Receivables from Non-Exchange transactions

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	5,295,941.10	4,574,867
Transfers from Other Govt. entities		
Undisbursed Donor Funds		
Other Debtors (Non-Exchange Transactions)		
Less: Impairment Allowance		
Total Current Receivables	5,295,941.10	4,574,867

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

Description	Year ended 30 th June 2025		Year ended 30 th June 2024	
	Kshs	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	xxx	-
Between 1- 2 years	-	%	xxx	-
Between 2-3 years	-	%	xxx	-
Over 3 years	-	%	xxx	-
Total	-	%	xxx	-

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

Description	Year ended	Year ended
	30 th June 2025	30 th June 2024
	Kshs	Kshs
At the beginning of the year	-	-
Additional provisions during the year	-	-
Recovered during the year	-	-
Written off during the year	-	-
At the end of the year	-	-

29. Inventories

	Year ended 30 th	Year ended 30 th
	June 2025	June 2024
	Kshs	Kshs
Consumable stores	140,870	155,500
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	-	-
Cleaning Materials stores	-	-
Catering stores	-	-
Less: Impairment allowance	-	-
Total Inventories at lower of Cost and Net Realizable Value	140,870	155,500

Detailed disclosure on inventories

	Year ended 30 th	Year ended 30 th
	June 2025	June 2024
Opening balance		
Additional Inventory in the year	-	-
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Others specify	-	-
Closing balance	-	-

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30. Investments in financial assets

Description	ended 30 th	Year ended 30 th June 2024
	June 2025	June 2024
	Kshs	Kshs
a) Investment in Treasury Bills and Bonds		
Financial Institution		
CBK	-	-
CBK	-	-
Sub- Total	-	-
b) Investment with Financial Institutions/ Banks		
Bank X		
Bank Y	-	-
Sub- Total		
c) Equity Investments		
Equity/ Shares in Company Xxx	-	-
Sub- Total	-	-
Grand Total	-	-

d) Shareholding in other entities

For investments in equity shares listed under note 30 (c) above, list down the equity investments under the following categories:

Name of Emgwen Tvc where Investment is Held	No of Shares			Nominal Value of Shares Kshs	Fair Value	Fair Value
	Direct Shareholding	Indirect Shareholding	Effective Shareholding		Year	Year
					ended 30 th June 2025	ended 30 th June 2024
	%	%	%	Kshs	Kshs	Kshs
Emgwen Tvc A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
	-	-	-	-	-	-

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31. Prepayments

	Year ended 30 June 2025	Year ended 30 June 2024
	KShs.	KShs.
Insurance	-	-
Rent	-	-
Water	-	-
Internet	-	-
Others	-	-
Total	-	-

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32. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2.5%	25%	12.5%	33.3%	20%		
At 1 July 2024	9,194,000	51,296,655	-	1,037,866.91	234,873.06	304,568	-	62,067,963
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
At 30th June 2024	9,194,000	51,296,655	-	1,037,866.91	234,873.06	304,568	-	62,067,963
Additions	-	500,000	-	1,350,824	1,000,000	-	-	2,850,824
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
At 30th June 2025	9,194,000	51,296,655	-	2,026,885	1,350,557	304,568	-	64,672,665
Depreciation And Impairment								
At 1 Jun 2024	-							
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2025	9,194,000	51,296,655	-	2,026,885	1,350,557	304,568	-	64,672,665
Depreciation	-	(1,294,916)	-	(263,495)	(445,864)	(60,904)	-	(2,087,751)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
At 30th June 2025	9,194,000	51,796,656	-	1,773,530.16	904,874	243,654	-	62,963,132
Net Book Values								
At 30th Jun 2024	9,194,000	51,296,655	-	1,037,866.91	234,873.067	304,568	-	62,067,963
At 30th Jun 2025	9,194,000	51,796,656	-	1,773,530.16	904,874.607	243,654	-	62,607,656

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Notes to the Financial Statements (Continued)

Valuation

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

32 (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:

	Cost	Accumulated Depreciation	NBV
Land	9,194,000	-	9,194,000
Buildings	51,796,656	1294916	50,501,740
Plant And Machinery	304,568	60,914	243,654
Motor Vehicles including Motorcycles	-	-	-
Computers and Related Equipment	1,350,557	445,684	904,873
Office Equipment, Furniture, And Fittings	2,026,884	263,495	1,763,389
Total	64,672,665	2,065,009	62,607,656

33. Intangible Assets

	Year ended 30 June 2025	Year ended 30 June 2024
	Kshs	Kshs
Cost	-	-
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Additions—internal development	-	-
At end of the year	-	-
Amortization and impairment	-	-
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

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34. Investment Property

Description	Year ended 30 June 2025	Year ended 30 June 2024
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain or loss on fair value- if fair value is elected	-	-
At end of the year	-	-

35. Biological Assets

Description	Year ended 30 June 2025	Year ended 30 June 2024
	Kshs	Kshs
Trees in a plantation forest	-	-
Animals: Dairy Cattle, Pigs, Sheep	-	-
Others (Specify)	-	-
Total	-	-

36. Trade and Other Payables

Description	Year ended 30 June 2025		Year ended 30 June 2024	
	Kshs	% of the Total	Kshs	% of the Total
Trade payables	2,139,135		1,286,000	
Fees paid in advance			-	
Salary deductions			-	
Third-Party Payments			-	
Other Payables			-	
Total Trade and Other Payables	2,139,135		1,286,000	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	xxx
1-2 years	-	%	-	xxx
2-3 years	-	%	-	xxx
Over 3 years	-	%	-	xxx
Total (to tie to totals above)	-	%	-	xxx

37. Refundable Deposits from Customers/Students

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	2025		2024	
	Nil	Kshs	Nil	Kshs
Consumer deposits	-	-	-	-
Caution money	41,200	41,200	41,200	41,200
Other refundable deposits	-	-	-	-
Total Deposits	41,200	41,200	41,200	41,200
	Current FY	% of the Total	Comparative FY	% of the Total
Ageing analysis:				
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (to tie to totals deposits above)	-	%	-	%

38. Current Provisions

	Leave provision	Bonus provision	Gratuity Provision	Other provision	Total
Balance at The Beginning of The Year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision Utilised	-	-	-	-	-
Change Due To Discount And Time Value For Money	-	-	-	-	-
Transfers From Non -Current Provisions	-	-	-	-	-
Total Provisions	-	-	-	-	-

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39. Finance Lease Obligation

Description	Amount	
	Kshs	Kshs
At the start of the year	-	-
Discount interest on Lease Liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

Period	Amount	
	Kshs	
Year 1	-	
Year 2	-	
Year 3	-	
Year 4	-	
Year 5 and Onwards	-	
Less: Unearned Interest	-	
Total	-	

Analysed as:

Description	Amount	
	Kshs	
Current	-	
Non- Current	-	
Total	-	

40. Deferred Income

Description	Year ended 30th June	
	2025	2024
	Kshs	Kshs
National Government	-	-
International Funding Bodies	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

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The deferred income movement is as follows:

Description	National government	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:

	Amount
	Kshs
Current	-
Non- Current	-
Total	-

41. Employee Benefit Obligations

Description	Defined plan	Employment medical benefits	Provisions	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

Retirement benefit Asset/ Liability

The Emgwen Tvc operates a defined no benefit scheme for all full-time employees from July 1, 2025 The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial values on this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

Description	Insert Current FY	Insert Comparative FY
-------------	-------------------	-----------------------

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	Kshs	
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-
Mortality (Post- Retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	-	-

Recognition of Retirement Benefit Asset/ Liability

a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	Year ended	
	30 th June 2025	30 th June 2024
	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (<i>specify</i>)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Remeasurement of the net defined benefit liability (asset)	-	-

b) Amounts recognised in the Statement of Financial Position

Description	30 th June 2025		30 th June 2024	
	Kshs		Kshs	
Present value of defined benefit obligations(a)	-		-	
Fair value of plan assets(b)	-		-	
Funded status(=a-b)	-		-	
Restrictions on asset recognised	-		-	
Others (<i>specify</i>)	-		-	
Net asset or liability arising from defined benefit obligation	-		-	

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The Emgwen Tvc also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Emgwen Tvc's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. per employee per month. Other than NSSF the Emgwen Tvc also has a defined contribution scheme operated by Pension Fund. Employees contribute xx% while employers contribute xx% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

42. Payments received in advance.

Description	2025		2024	
	Kshs		Kshs	
Fees received in advance	-		-	
Others (Specify)	-		-	
Total	-		-	
	-		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

43. Borrowings

Description	Year ended 30 th June 2025	Year ended 30 th June 2024
	Kshs	Kshs
Balance at beginning of the year	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the year	-	-
Repayments of domestic borrowings during the year	-	-
Balance at end of the year	-	-

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43 a) Analysis of External and Domestic Borrowings

Description	Year ended 30th June 2025	Year ended 30th June 2024
External borrowings		
Dollar denominated loan from 'xx organization'		
Sterling pound denominated loan from 'yyy organization'		
Euro denominated loan from zzz organization'		
Domestic borrowings		
Kenya shilling loan		
Total balance at end of the year		

43 b) Breakdown of Long and Short-Term Borrowings

Description	Year ended 30th June 2025	Year ended 30th June 2024
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

44. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Ksh	Ksh			
Balance at the beginning of the year	-	-	-	-	-
Additional Provisions	-	-	-	-	-
Provision utilised	-	-	-	-	-
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	-	-	-	-	-
Total deferred income	-	-	-	-	-

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45. Service Concession Arrangements

	Year ended 30 th June 2025	Year ended 30 th June 2024
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	-	-
Net carrying amount	-	-
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	-	-
Service concession liability at end of the year	-	-

46. Social Benefit Liabilities

	June 2025 Kshs	June 2024 Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
People Living with disabilities benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
	-	-
Current social benefits	-	-
Non- current social benefits	-	-
Total (tie to totals above)	-	-

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47. Cash generated from operations.

Adjusted for:		
Depreciation	2065009	
Non-Cash grants received		
Contributed assets		
Impairment		
Gains and Losses on Disposal of Assets		
Contribution to provisions		
Contribution to impairment allowance		
Finance Income		
Finance Cost		
Working Capital Adjustments		
Increase in Inventory		
Increase in Receivables		
Increase in Deferred Income		
Increase in Payables		
Increase in Payments received in advance		
Net Cash Flow from Operating Activities		

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48. Financial Risk Management

The Emgwen 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.

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

(i) Credit risk

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

	Carrying Amount	Expected Credit Loss	Impaired
At 30 June 2024	-	-	-
Receivables from exchange transactions	-	-	-
Receivables from non-exchange transactions	-	-	-
Bank balances	-	-	-
Total	-	-	-
At 30 June 2025	-	-	-
Receivables from exchange transactions	-	-	-
Receivables from non-exchange transactions	-	-	-
Bank balances	-	-	-
Total	-	-	-

Financial risk management (continued)

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

The Emgwen Tvc has significant concentration of credit risk on amounts due from xxxx

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Emgwen Tvc's directors, who have built an appropriate liquidity risk management framework for the management of the Emgwen Tvc's short, medium and long-term funding and liquidity management requirements. The Emgwen 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				
At 30 June 2024				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2025				
Trade Payables	-	-	-	-
Current Portion Of Borrowings				
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

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(iii) Market risk

The Emgwen Tvc has put in place an internal audit function to assist it in assessing the risk faced by the Emgwen 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 the Emgwen 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.

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

a) Foreign currency risk

The Emgwen Tvc has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the Emgwen Tvc's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

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

Foreign currency sensitivity analysis

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

	Change in currency rate		
20xx			
Euro	10%	-	-
Usd	10%	-	-
20xx		-	-
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

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iv) Capital Risk Management

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

	Year ended 30 th June 2025	Year ended 30 th June 2024
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash and Cash Equivalents)	-	-
Gearing	-	-

49. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	2024	2025
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	-	-
Rent income from govt. agencies	-	-
Water sales to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
B) Purchases from related parties		
Purchases of electricity from kplc	-	-
Purchase of water from govt service providers	-	-
Rent expenses paid to govt agencies	-	-
Training and conference fees paid to govt. agencies	-	-
Others (<i>specify</i>)	-	-
Total	-	-
b) Grants /Transfers from the Government		
Grants from National Govt	-	-
Grants from County Government	-	-
Donations in Kind	-	-
Total	-	-
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for xx Employees	-	-
Payments for Goods and Services for XX	-	-

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	Year ended 30 th June 2025	Year ended 30 th June 2024
Total	-	-
d) Key Management Compensation		
Directors' emoluments	-	-
Compensation to Key Management	-	-
Total	-	-

50. Segment Information

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51. Contingent Assets and Contingent Liabilities

Contingent Assets

Description		
Contingent Assets	-	-
Insurance Reimbursements	-	-
Assets arising from determination of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Others	-	-
Total	-	-

Contingent Liabilities

Description		
Contingent Liabilities	-	-
Court Case Xxx against	-	-
Bank guarantees in favour of subsidiary	-	-
Contingent liabilities arising from Contracts including PPPs	-	-
Others	-	-
Total	-	-

52. Capital Commitments

Capital Commitments	Year ended 30 June 2025	
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

53. Events After The Reporting Period

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

54. Ultimate and Holding Emgwen Tvc

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

55. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Presentation, accuracy and disclosure	This was resolved by availing necessary document	Resolved	
2.	Inaccuracy in the statement of financial position	The management to do the accurate statement of financial position	Resolved	
3.	Inaccuracy in the statement of cash flows	To ensure accuracy in statement of cash flows the subsequent	Resolved	
4.	Inaccuracy in the statement of budget and actual amount	To ensure accuracy statement of budget and actual amount in the subsequent year.	Resolved	
5.	Unsupported revenue from exchange transaction	Management has provided supporting document	Resolved	
6.	Unsupported revenue from non-exchange transaction	Management has provided supporting document	Resolved	
7.	Unsupported use of goods and services	Management has provided supporting document	Resolved	
8.	Unsupported receivable balance	Management has provided supporting document	Resolved	
9.	Unsupported cash and cash equivalents	Management has provided supporting document	Resolved	
10.	Anomalies in property	The management has provide	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	(Put 'Resolved' if expected)
	,plant and equipment			
11.	Lack of land ownership documents	The management has avail land title.	Resolved	
12.	Budgetary control and performance		Resolved	
13.	Late submission of financial statement	The board tenure had expired	Resolved	
14.	Lack of approved Human resource policy manual, career progression Guidelines and Staff establishment	Human resource and policy have been review and approve. Career progression Guidelines and Staff establishment on process	Resolved	
15.	Uses of Non- Prequalified Firms	Seek the list from the sister institution	Resolved	
16.	Repair and Maintenance	Avail supporting documents	Resolved	
17.	Lack of credit policy and Aging Analysis for Trade and other payables	Credit policy and Aging Analysis for Trade and other payables are process	Resolved	
18.	Lack of Risk and fraud management policy	Has avail Risk and fraud management policy	Resolved	
19.	Non- Maintenance of imprest register	Has avail imprest register.	Resolved	

(i)

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Name
Accounting Officer
Tarus J. Barkebo
Date 19/06/2025

Name
Accounting Officer
Tarus J. Barkebo
Date

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Appendix II: Projects Implemented by Emgwen 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)		
1	-	-	-	-	-		-
2	-	-	-	-	-		-

Status of Projects completion

Project No	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Source
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-

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Appendix III- Inter-Emgwen Tvc Confirmation Letter

Name of transferring Emgwen Tvc Emgwen TVC

Name of beneficiary Emgwen Tvc Ministry of Education department of technical Education

Amounts received by [Insert name of beneficiary Emgwen Tvc] as at 30th June (Current FY)

Reference Number	Date Disbursed	Reference	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Ministry of Education DTE	23/09/24	Ministry of Education DTE	500,000	-	500,000	Recurrent
Ministry of Education TDE	20,24/09/24	Ministry of Education DTE	1,504,516.10	-	1,504,516.10	Scholarship
Ministry of Education TDE	14/02/2025	Ministry of Education DTE	1,741,425.00	-	1,741,425.00	Capitation
Ministry of Education DTE	02/10/24	Ministry of Education DTE	500,000	-	500,000	Recurrent
Ministry of Education DTE		Ministry of Education DTE	500,000	-	500,000	Recurrent
Ministry of Education DTE		Ministry of Education DTE	500,000	-	500,000	Recurrent
Total		Total	5,245,941.10	-	5,245,941.10	

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

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Head of Accounts Department - Beneficiary Entity:

Name Josiah Koin Sign [Signature] Date 19/11/2025

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Appendix IV: Reporting of Climate Relevant Expenditures

Project Description	Project Objectives	Project Activities	Reporting Period				Source Of Funds	Implementing Partners
			Q1	Q2	Q3	Q4		
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

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Appendix V: Reporting on Disaster Management Expenditure

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