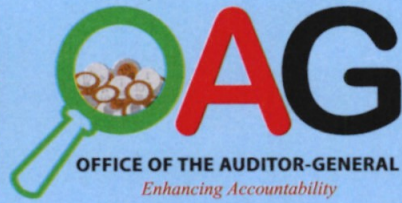



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2026	
DAY. THUR	
TABLED BY:	DEPUTY MAJORITY WHIP
CLERK-AT THE-TABLE:	V. WAMBUI

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR GENERAL

ON

RIRAGIA TECHNICAL AND VOCATIONAL
COLLEGE

FOR THE YEAR ENDED

30 JUNE, 2025



19 NOV 2025

RIRAGIA 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

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✓ **Acronyms and Definition of Key Terms**

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
GOK	Government of Kenya

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

Key Entity Information and Management

(a) Background information

The institution was established under the TVET Act 2013 on 15/07/2020. The entity is domiciled in Kegogi, approximately 1 kilometre from Kegogi market. The institution is under the Ministry of Education.

(b) Principal Activities

The principal activity/mission/ mandate of the entity is to train students in technical courses

VISION

A top-class institution empowering youth with market driven technical and vocational skills and competencies to unlock opportunities for better lives and contribute to social and economic development.

MISISON

To develop highly qualified human resources by providing quality training applied research and entrepreneurship skills that are responsive to industry demands.

MOTTO

To understand the course of things to innovate new ways of doing them better “home of innovation”

CORE VALUES

Riragia Technical and vocational college is committed to the following core values:

- i). Transparency and accountability.
- ii). Professionalism and integrity
- iii). Creativity and Innovation
- iv). Teamwork
- vi). Quality service delivery
- vii). Dynamism

(c) Key Management

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

- Board of Governors.
- Accounting officer
- Principal's Management committee
- HOD's

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Dr. Paul Makori
2.	Deputy principal Finance	Mr. John Mareri
3	Deputy principal Academics	Mr. Dennis Ongoto
4	Registrar	Mr. Joseph Ramben
5	Dean of students	Mr. Joab Asande
6	Head of Finance	Mr Peterson Ogwora
7	Procurement	Mrs. Beryl Mainga

(e) Fiduciary Oversight Arrangements

-Administration Finance and Infrastructure

- Jared Onyach
 - Lucy wahito

-Audit, Risk and Compliance (ARC) Committee

- Peter kigen
 - Elijah Obwori

-Education, Research and Training committee

- Athanas mokaya
 - John Nyangweta
 -Enock ogembo

(f) Entity Headquarters

P.O. Box 1809,
 Kisii.
 Kisii-kisumu highway
 KENYA

(g) Entity Contacts

Telephone: (254) 741354419
 E-mail: riragiatti@gmail.com
 Website: www.riragiatti@.go.ke

(h) Entity Bankers

Kcb limited
Kisii West
Kisii-Kisumu highway





(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




The Board of Governors

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Mr. Patrick Ogecha Nyagosia (Chairman)	Holds MEd leadership, Adm and Management, B. ed science. Strategic Leadership Development (KSG) Was a quality Assurance and standards (MOE), Provincial Director of Education (Coast, Western & Kisumu Counties) Was a trainer in leadership management and administration & guidance and counselling services. Board of management- chair Kisii National school, member Maseno National school, Lugari National diploma teachers' college, and St. Theresa's girls school He is an overall education consultant
2.	 Dr. Paul Geteni Makori (Secretary)	Has a Master's Degree in Educational Planning and a Post Graduate Diploma in Human Resource Management from Moi University. This is in addition to a Bachelor of Education degree and a management course with the Kenya School of Government (Strategic Leadership Development Programme). He has a Doctor of Philosophy degree in Educational Planning from the University of Eldoret, Kenya.
3.	 Mr. Jared Onyach (Member)	Holds Msc. in human resource development Certified Public Secretaries (Kenya) Certified Organizational Development (OD) Practitioner. East African Support Unit for NGOs (EASUN) He is a specialist in human resource management, strategic management and organizational management; he chairs general purpose and finance committee.
4.	 Arc. Enock Ogembo (Member)	Holds MSc Project Management from JKUAT, Bachelor of landscape architecture from JKUAT He is a General Manager Shajena Enterprises limited and Chief Executive Officer Pixel Studio Limited and he is also a landscape architect consultant in Primescapes Limited. He is accredited in building works by NCA.

5.	 Mr. Peter Kigen (Member)	Holds Bachelor of commerce (Accounting Option) from The Catholic University of East Africa He is CPA (K) holder He is a registered member of ICPAK He Works as an accountant with KTDA He chairs risk and audit committee
6.	 Mr. Athanas Mokaya (Member)	Holds higher diploma in electrical and electronics (power electronics option) Holds MBA from JKUAT A former principal Kisii National Polytechnic Has got overwhelming experience in leadership and TVET matters. He chairs education and research committee
7.	 Lucy wahito (Member)	Holds a Masters degree in strategic management and Bachelors degree in business administration human resource management option. Has worked in various financial institutions supporting business development initiatives and trained community based organizations

Key Management Team

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Dr. Paul Makori(Principal)	Has a Masters Degree in Educational Planning and a Post Graduate Diploma in Human Resource Management from Moi University. This is in addition to a Bachelor of Education degree and a management course with the Kenya School of Government (Strategic Leadership Development Programme). He has a Doctor of Philosophy degree in Educational Planning from the University of Eldoret, Kenya.
2.	 Mr. John Mareri(Deputy principal)	Holds BED Technology from University of Eastern Africa Baraton. 2016-2023 HOD mechanical and automotive Mawego National Polytechnic, and currently he is the deputy principal Administration Riragia TVC
3.	 Mr. Dennis Ongoto	Holds MILS, BA, PGDE Examination officer Dean of students Currently deputy principal academics Riragia TVC
4.	 Mr. Joab Osebe (Ag. Dean of Student)	Completed Bitech. Mechanical from T-UK awaiting graduation, Diploma and craft in mechanical (production) He was a plant technician at KTDA, Mechanical technician at Kisii National polytechnic and currently Ag. Dean of student and trainer at Riragia TVC

5.	 Mr. Joseph Ramben (Ag.Registrar)	Holds a bachelor's degree in Electrical and Electronics Engineering from Technical University of Mombasa and post graduate Diploma in Technical trainer Education from Kenya Technical Trainers College (KTTC) now Known as Kenya School of TVET. Currently he is the Ag. Registrar Riragia TVC and research coordinator
6.	 Mr. Peterson Ogwora (Head of Finance)	CPA part II Holder from Kisii college of accountancy (KCA) 2011-2020 Accountant Gekongo secondary school. 2021. Finance officer Riragia TVC
7.	 Mrs. Beryl Awuor Mainga (Head of Procurement)	Bachelor's Degree in Business Management (Purchasing and supply chain management) 2020-2021 Intern Omuga TVC 2021 Ag. Procurement officer Riragia TVC.

Chairman's Statement

Introduction.

On behalf of the Board of Governors I confirm that the report presented here bears the true and fair picture of Riragia Technical and Vocational College as per the requirement of public finance management act 2012.

Riragia Technical and Vocational College's performance during the year under review is impressive despite a few financial challenges.

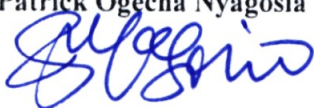
The college has continued with its core mandate of disseminating knowledge through, training and innovation.

We hope to fence and secure the college compound immediately we get college land Title deed as well as work towards getting water tanks to supply enough water in the college. we are also working in conjunction with CDF and other donors to improve infrastructure. Hopefully this will be witnessed in the next Financial year.

The college has continued to be guided by the strategic plan 2023-2027, which emphasises the development of key functional areas of teaching and learning, research and innovation and community outreach. The activities undertaken in this areas are aimed at enhancing the college visibility and competitiveness both locally and internationally. The college is also cognisant of the ever-present need to remain relevant to the needs of society and has always sought to integrate with the wider Kenyan public by paying attention to the national development agenda.

Thank you

Patrick Ogecha Nyagosia



The Board Chairman

17/11/25

Report of the Chief Principal

Introduction.

Presented here is the yearly report and financial statements of Riragia Technical and Vocational College for the financial year ended 30th June 2025.

Riragia Technical and Vocational college's performance during the year under review is impressive compared to its previous years. The government capitation. Scholarships and Helb loans still remains as the institution's main source of income.

The college has continued with its core business of training and innovation. the current trainee population has increased tremendously from 1310 previous financial year to 2.740 and is expected to increase further by the end of next financial year.

Development project.

Currently there is no major ongoing development project. However, we have an intention of constructing temporary structures in the college compound to be used during practical lessons. In the next financial year, the management is intending to do the following projects:

- i) Laying cabros in the college compound
- ii) Construction of food and beverage workshop
- iii) Construction of Hostels
- iv) Construction of three study rooms.

Operational results.

Financial resources have been a big challenge in the just ended year.

At the close of the financial year, the college had received ksh 16,864,088 as capitation grant and scholarship from Gok and ksh 19,692,800 from National youth services.

The college therefore had a total income of ksh 54,506,508 against total expenditure of ksh 54,395,646 Giving a surplus of ksh109,862

Future Outlook

The college will continue to revamp its core income generating activities with a view to enhancing and sustaining its financial base. Going forward, the college will enable Agriculture department as the main vehicle to generate funds A raft of other proposals are also under consideration and will receive the support of the Board of Governors as and when they are presented. I would like to congratulate the management for these efforts.

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.

Conclusion

On behalf of Riragia Technical and Vocational college management and staff, I wish to take this opportunity to thank the government, our development partners and all stakeholders for their continued support.

Finally, I would like to express my sincere gratitude to the Government of Kenya for giving financial support, policy and strategic guidance, the entire college staff and students who have worked tirelessly to ensure smooth running of the college.

Thank you



The principal

Statement of Performance against Predetermined Objectives

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

Riragia Technical and vocational College has six strategic pillars and objectives within its strategic plan. These pillars are as follows;

Pillar 1: To achieve financial viability and sustainability.

Pillar 2: To develop a strong and a well-managed institution.

Pillar 3: To provide quality education and technical training.

Pillar 4: To improve corporate governance and image.

Pillar 5: To expand and improve the physical facilities.

Pillar 6: To enhance risk management and disaster preparedness.

Being the fourth year of operation Riragia Technical and vocational college has developed its annual work plan based on the above 6 pillars. Assessment of the Board performance against its annual work plan will be done on quarterly basis.

Corporate Governance Statement

The Board has a duty to the people of Kenya to ensure that Riragia Technical and vocational college achieves its objectives efficiently and effectively and in compliance with PFM Act, 2012, TVET Act 2013, all relevant acts of parliament and all ministry directives and guidelines issued from time to time.

The statutory functions of the Board include:

- Overseeing the conduct of education and training in the institution in accordance with the provisions of TVET act 2013
- Develop and implementing of Riragia Technical and vocational college strategic plan.
- Administering and managing the property of the institution.
- Mobilizing resources for the institution.
- Providing for the welfare of the students and staff of the institution.
- Making regulations governing organization and conduct and discipline of staff students.
- Recruiting and appointing trainers from among qualified professionals.
- Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institution.
- Preparing comprehensive annual reports on all areas of their mandate.
- Discharging all other functions conferred upon by the TVET Act 2013 or any other written laws.

Risk Management and Internal Controls.

The Board has overall responsibility for the establishment and oversight of the institution's risk management frameworks. The risk management policies are established to identify and analyze the risk faced by the institution and to set appropriate risk limits and controls and to monitor adherence to these limits. Risk management policies and systems are reviewed regularly to reflect changes in operating conditions, legislation and services offered. Subsequently the institution identifies and manages risk through in- house risk review enhanced by compliance by internal and external audits.

The institution has in place a system of internal control systems with defined operating procedures, financial and operating controls to ensure that resources are safeguarded, transactions authorized, validated and reported in line with IPSAS.

Conflict of Interest

All Board members are under a duty to avoid any conflict of interest. This entails not engaging directly or indirectly in any business that competes or conflicts with the institution's business.

The Board has established a robust process requiring members to disclose outside business interests that would conflict with institutions interests.

Compliance

The Board confirms that it is satisfied that though the institution has inadequate resources it can continue operating for the foreseeable future. For this reason, it continues to adopt the going concern basis when preparing the financial statements.

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE

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

The Board is satisfied that the institution as to the best of their knowledge complied with all relevant laws and conducted its business affairs in accordance with the laws in particular to:

- . The constitution of Kenya, 2010.
- . TVET Act, 2012.
- . PFM Act, 2012.
- . Procurement and Asset Disposal Act 2015.
- . IPSAS Standards.
- . All other relevant laws in its operation (ministry of education circulars).

Riragia Technical and Vocational College also has internal policies which are yet to be ratified and used in its operations. These policies are in line with all the relevant laws stated above and only direct the specific operations on how tasks are handled.

These policies are inter alia; financial management policies, procurement policies and academic policies.

BOARD MEETING ATTENDANCE FOR THE YEAR ENDED 30TH JUNE 2025

S/no	Name	3 rd July 2024	31 st July 2024	16 th Oct 2024	26 th May 2025	11 th June 2025	14 th June 2025
1	Jared onyach	✓	X	X	✓	✓	✓
2	Elijah obwori	✓	✓	X	✓	x	✓
3	Athanasia mokaya	✓	X	X	X	✓	✓
4	Benster obobe	✓	✓	✓	X	x	x
5	Paul makori	x	X	X	✓	✓	✓
6	Christine sagwa	x	X	X	x	x	x
7	Enock ogembo	x	✓	X	✓	X	✓
8	Lucy wahito	x	x	x	✓	✓	✓
9	Peter kigen	x	✓	✓	x	x	✓
10	Patrick nyagosia	x	✓	✓	✓	✓	✓

Key;

X - Absent

✓ -Present

Management Discussion and Analysis

INTRODUCTION.

This discussion and analysis provide an overview of the results of activities and financial position of Riragia Technical and Vocational College. Being the fourth year of operation, comparative information is available for comparison over the previous year. This overview gives a brief financial statements and the notes that follow.

FINANCIAL HIGHLIGHTS.

Revenue.

Riragia Technical nad Vocational College's revenue stood at ksh 54,506,508. The trainee's population at the close of financial year stood at 2,740 trainees. It is hoped that in the next FY 2025/2026, income of the institution will increase as a result of increase in trainees.

Expenditure.

Total expenditure stood at at ksh 54,396,646

It should be noted that employee costs stood at 13% of total costs. This is within the recommended ceiling of 30%.

Board expenses stand at 2% of total expenditure. This is within the recommended ceiling of 5%.

Use of goods and services stood at 58% of total expenditure. This comprises basically of expenses incurred to operationalize the college. It is worth noting that due to lack of enough funds, trainees are lacking enough lecture halls. However, the college has managed to construct four lecture halls to facilitate smooth learning in the next financial year.

Compliance with statutory Requirements.

The college is operating under legal frameworks necessary under public sector requirement such as;

- . The constitution of kenya, 2010
- . TVET Act, 2013
- . PFM Act, 2012
- . Procurement and Asset Disposal Act, 2015
- . IPSAS standards.
- . All other relevant laws in its operation (regular circulars from treasury and the ministry).

The college has internal policies which have be ratified to be used in its future operations. The Board has discussed and approved the following policies among others;

- . Academic policy.
- . Financial Management policy.
- . Procurement Policy.

- . Risk Analysis policy.
- . Operational Risk policy.

The Board has overall responsibility for the oversight of the college risk management framework. The college is developing risk management policies to identify and analyse the risk faced by the college, set appropriate risk limits and controls and monitor risk and adherence to limits. These risk management policies and systems will be reviewed regularly to reflect the changes in economic conditions and the college activities.

The principal will then oversee how management monitors compliance with the college risk management policies and procedures review the adequacy of the risk management frame work in relation to the risk faced by the college. The college can also be exposed to the following risks in the future;

Liquidity risk.

This is the risk that the college will not meet its financial obligations as they fall due. There is therefore need to increase the number of trainees to cover the fixed costs. The college's approach to manage liquidity is to ensure as far as possible, that there is always sufficient cash to meet liabilities as and when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking to damage the college reputation.

Credit risk.

Credit risk is the risk of financial loss to the college if a customer or counter party to a financial instrument fails to meet its current obligations. The receipt of fees from student minimizes the credit risk exposure. The college will in the future implement fees payment policy which will define how and when fees are supposed to be paid thus minimizing the credit risk exposure.

Environmental and Sustainability Reporting Statement

Riragia Technical and vocational College exists to transform lives. This is our main purpose; the driving force behind everything we do. This is what guides us to deliver our strategy of putting the customer first, delivering relevant goods and services and improve operational excellence.

Environmental performance

The college's approach to sustainability is based on the college mission to develop highly qualified human resources by providing quality education, applied research and practicability in partnership with industry players.

The institution recognizes the importance of sustainable growth and has initiated programs to generate income to cushion its operations. It is also establishing policies and programs that are needed to promote sustainable development especially at local and regional level. The college will also sign an MOU with at least two industry players to among others enhance its capability to generate income in collaboration with industry.

Sustainability is also incorporated into student learning through both curricular and co-curricular programs by introducing practicability into the programs as well as incorporating on job practical training. Programs have also been planned at increasing the capacity and capability of the trainers through development workshops and trainings.

Riragia Technical and Vocational college strives to be a responsible business representing the higher standards of ethics and professionalism. We have reviewed the global best practice guidelines and standards including IPSAS, in order to help inform relevant policy areas. It is therefore important that Riragia Technical and vocational college is aware of current environmental issues and informs, educates and stand with the local community to improve the environment.

Our institution's social responsibilities are defined by both compliance and pro activeness. Riragia Technical and Vocational college, compliance refers to our commitment to upholding all legal requirements, and willing to observe acknowledgement, and respect community values and laws.

- Recognize that privacy is a fundamental right, and we will comply with all laws and expectations. In addition, we will work whenever possible to ensure that we respect the ability for all to manage their personal data.

Riragia Technical and vocational college values our natural environment and the need to protect it. Keeping our environment unpolluted and clean is paramount to the success of our communities and business. We will also follow best practices in disposal of garbage, compost, and seek out working facilities that strive to minimize their carbon footprint through National Environmental Management Authority (NEMA) certificate and other environmentally sustainable best practice.

Employee welfare

We recognize the value of human relationships and put people at the heart of our business. We seek to treat all staff fairly and consistently, to create a workplace and business environment that is open, transparent, and trusted. Aligned with this approach, all members of the Riragia Technical and vocational college are required to conduct their activities in accordance with our codes and policies, as they are implemented and updated from time to time.

Riragia Technical and vocational college respect all employees, and strive to make their experience a positive one in all aspects of their relationship with the institution. Our success is closely tied to staff happiness, growth, development, and teamwork, and we work to assess, measure and support the personal and professional growth of our employees at all times, recognize that the success of Riragia Technical and vocational college is led first by the success and happiness of our people.

We require our staff to act according to the highest standards of honesty and integrity as well as comply with all legal and regulatory requirements, which extend to the protection of human rights.

As an institution, we will also ensure that we do not risk the health and safety of our employees and community, we avoid harming the lives or safety of local and indigenous people, and we respect the basic human rights all people, involved in our business. Riragia Technical and vocational college is dedicated to protecting human rights. We practice and commit to equal opportunity and will always abide by fair labour practices.

Additionally, Riragia Technical and vocational college will ensure that our activities do not directly or indirectly violate human rights in any way.

Market place practices

Diversity and inclusion are deeply ingrained in all aspects of our mission. There are core values to our institution because they are aligned to our institution's ethics. These policies also have the added value of improving training performance. Studies show that more diverse teams perform better, and institutions that have more inclusive environments also experience less turnover, have higher internal morale, and higher productivity rates from their employees.

Corporate Social Responsibility / Community Engagements.

Riragia Technical and vocational college recognizes an expectation to have a positive impact on our community, and we promote this expectation through social work, volunteering and community services.

Our pro activeness is manifested by emphasizing and recognizing human rights locally and globally and actively engaging with our communities through volunteering and community services, while always protecting and and respecting our natural environment through our actions and policies.

As an institution, we will formulate policies and take action to drive diversity and inclusion by providing an inclusive environment where all are empowered to share their diverse perspectives and experiences so

we can be ultimately be better together. Our policies, practices, programs, activities and decisions regarding employment, hiring, assignment, promotion, compensation, volunteerism and internships are not based on a person's ethnicity, color, sex, age, religion, national origin, mental or physical disability, ancestry, sexual orientation, gender identity or expression, marital status, source of income, parental status, housing status, or other protected status. We strongly encourage women, youth, persons with disabilities and members of the community to join the institution and live our shared values.

Riragia Technical and vocational college will always:

- . Respect and uphold applicable local, county, and national laws to the best of our abilities.
- . Honor and review all internal policies for complete and responsible implementation.
- . Ensure that all business transactions and relationships are legitimate, free of influence and bribery.
- . keep all partnerships and collaborations transparent and open.

Report of the Board of Governors

The board members submit their report together with the audited financial statements for the year ended 30th June 2025. Which shows the state of Riragia Technical and vocational college's affairs.

Principal activities.

The principal activity of Riragia Technical and vocational College is to provide training in technical and vocational skills, research, innovation and management services. In addition, the college intends to participate in technological innovation beneficial to the society as well as contributing to industrial and technological development of Kenya in partnership with industry.

Results.

The results of Riragia technical and vocational college for the year ended 30th June 2025 are set out on pages 1-5

Board of Governors

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

Auditors

The Auditor General is responsible for the statutory audit of Riragia Technical and vocational college in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. The auditor's report for 2024-2025 is available with A qualified opinion.

By Order of the Board


.....
Secretary of the Board

Date:



Statement of Board of Governor's Responsibilities

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

The Board members are responsible for the preparation and presentation of Riragia Technical and vocational college financial statements, which give a true and fair view of the state of affairs of the Riragia Technical and vocational college for and as at the end of the financial year ended on 30th June 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 Riragia Technical and vocational college;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of Riragia Technical and vocational college;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

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

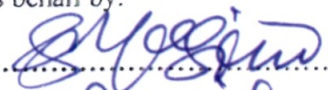
Nothing has come to the attention of the Board members to indicate that Riragia Technical and vocational college will not remain a going concern for at least the next twelve months from the date of this statement.

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE

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

Approval of the financial statements

Riragia Technical and vocational college's financial statements were approved by the Board and signed on its behalf by:


.....
Name Patrick O. Nyagosa
Chairperson of the Board
12/11/25


.....
Name Paul Mwanja
Accounting Officer/Principal


REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Riragia Technical and Vocational College set out on pages 1 to 25 which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in equity, statement of cash flows and statement of comparison of budget and

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Riragia Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy of Fee Income

The statement of financial performance and as disclosed in note 7 to the financial statements reflects an amount of Kshs.17,795,620 in respect of rendering of services-fees from students. However, a review of supporting documents provided for audit revealed a balance of Kshs.17,920,164 resulting in an unexplained variance of Kshs.124,544.

In the circumstances, the accuracy and completeness of the Kshs. 17,815,620 in respect to fee income could not be confirmed.

2. Unsupported Property, Plant and Equipment

The statement of financial position and as disclosed under Note 18 to financial statements reflects property, plant and equipment with a net book value balance of Kshs.326,685,680. However, review of documents provided for audit revealed that the management did not provide valuation of assets report for audit review and asset register that was provided did not capture other assets that include trees and fingerlings and banana trees. Further, the assets held by the institution and those acquired during year under review were not depreciated, the accumulated depreciation was not disclosed in the financial statements and the fixed assets depreciation policy was not provided for audit review. In addition, the institution has two parcels of land one acquired by the institution during the year under review in which a photocopy of the title deed was provided, the second parcel of land where the college sits on, the title deed was not provided for audit review.

In the circumstance, the accuracy and completeness of the balance of Kshs.326,685,680 on property, plant and equipment and the ownership of the land held could not be confirmed.

3. Undisclosed Biological Assets

The statement of financial position and as disclosed under Note 19 to financial statements reflects a balance of Kshs.625,000 in respect of biological assets. The biological assets disclosed were only six dairy cattle and the management did not provide biological assets valuation report as at 30 June 2025 for audit review and other biological assets held by the entity which included eighty-eight (88) chickens, one thousand (1000) fingerlings,

undetermined number of exotic trees, banana trees and napier grass. Management did not disclose them in the financial statements. Review of assets register provided for audit and subsequent physical verification conducted on 15 October, 2025 revealed that the cattle were not tagged for unique identification. Further, the daily production records provided revealed that the average production per cow is 2 litres per day which appears to be very low and could prove costly for sustainability. Management did not provide record of each cow productivity level per day for audit review. In addition, some of the cows were in poor state of health as evidenced by skin disease, loss of weight and high infestation by the Ixodidae (hard ticks).

In the circumstances, the accuracy of the Kshs.625,000 in respect of biological assets during the year under review could not be confirmed.

4. Unreconciled Teaching and Learning Expenses

The statement of financial performance as disclosed under Note 9 to the financial statements reflects a balance of Kshs.30,658,015 in respect to use of goods and services. This amount further includes Kshs.5,951,542 in respect to teaching and learning material expenses. However, review of supporting schedules provided for audit revealed a balance of Kshs.5,966,072 resulting to unexplained variance Kshs.14,530.

In the circumstances, the accuracy of Kshs.5,951,542 in respect to teaching and learning materials expenses could not be confirmed.

5. Receivables from Exchange Transactions

The statement of financial position and as reflected in Note 16 to the financial statements reflects Kshs.19,541,266 in respect to receivables from exchange transactions. However, review of the expenditure revealed that the management did not provide schedules supporting the receivables balances in the financial statements. Further, review of note 16 revealed that the management did not prepare the aging analysis to help track movement of the debtors and did not have a debt management policy to help in management of debtors. In addition, Management did not demonstrate any strategies towards collection of the outstanding receivables balance.

In the circumstances, the accuracy and regularity of the Kshs.19,541,266 in respect to receivables from exchange transactions could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Riragia 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 receipt budget and actual on comparable basis of Kshs.126,807,400 and Kshs.54,506,508 resulting in

an underfunding of Kshs.72,300,892 or 57% of the budget. Similarly, the College expenditure amounted to Kshs.54,396,646 against the realized receipts of Kshs.54,506,508 indicating full utilization of the realized receipts.

In the circumstances, the underfunding may have impacted negatively on the service delivery to the students.

My opinion is not modified in respect of these matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the College in 2024/2025 revealed that the following nine (9) issues remained unresolved.

S/No	Financial Year	Audit Issues
1.	2023/2024	Unsupported Revenue from Exchange Transactions
2.	2023/2024	Unsupported Property Plant and Equipment
3.	2023/2024	Non-Compliance with the Prescribed Financial Reporting Framework
4.	2023/2024	Budgetary Control and Performance
5.	2023/2024	Lack of Approved Establishment and Career Progression Guidelines
6.	2023/2024	Irregular Procedures on Casuals Engagement
7.	2023/2024	Non-Compliance with the Law on Ethnic Diversity in Staffing
8.	2023/2024	Weak Internal Controls and Weaknesses in ICT Environment
9.	2023/2024	Weak Controls Over Fees Revenue

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with the Prescribed Financial Reporting Framework

Audit review of the annual report and financial statements presented for audit revealed that the statement of comparison of budget and actual amounts at page 5 to the financial statements did not provide an explanation of performance differences of +or -10% for specific receipt and expenditure items as required by the reporting template prescribed by the Public Sector Accounting Standards Board (PSASB). Further, the statement of performance against predetermined objectives enumerates six (6) pillars contained in the College strategic plan. However, management has not reported under this section, the strategic objectives, key performance indicators, activities driven towards achievement of the objectives and achievements/ outputs for each strategic pillar in line with the reporting template prescribed by the PSASB. In addition, while signing the financial statements, the finance officer did not indicate his ICPAK Number as required. This may an indication that the financial statements were prepared by an unqualified accountant. Further review indicated page xiv to the financial statements reflects a corporate governance statement. However, missing in the corporate governance statement is the number of board meetings held during the year and attendance to those meetings by board members, succession planning and size, diversity and demographics of the board. The statement has also not indicated the existence of a board charter. The prescribed reporting template requires such information to be disclosed under the corporate governance statement.

In the circumstances, the financial statements do not comply with the reporting format prescribed by the Public Sector Accounting Standards Board.

2. Non-Compliance with Law on Ethnic Composition

Analysis of the personnel records for the College revealed that it had a total workforce of forty seven (47) staff employed by the Board of Governors, out of which fifteen (15) are trainers and thirty-two (32) are non-trainers. Out of the forty seven staff, forty-one (41) representing 87% were from the dominant ethnic community contrary to Section 7(2) of the National Cohesion and Integration Act, 2008.

In the circumstances, Management is 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Lack of Approved Establishment and Career Progression Guidelines

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects Kshs.7,050,354 in respect to employee costs. Documents provided for audit review revealed that during the period under review, the College had a total work force of one hundred and seven (107) staff out of which sixty (60) were employed by the Public Service Commission and forty seven (47) were employed by the Board of Governors. Out of the forty seven (47) staff employed by the Board of Governors, fifteen (15) are trainers while thirty-two (32) are non-trainers. The forty seven staff are all engaged on contract terms. However, review of records revealed that the College did not have an approved staff establishment whose absence indicated that the College had not yet determined the skills and optimal staffing levels required to achieve its goals and objectives. In addition, there was no evidence that the College had prepared a human resource plan based on a comprehensive job analysis and there was no evidence of an approved salary structure and career progression guidelines as approved by the board of governors. Consequently, the College was in breach of Section B.2 (1) of Public Service Human Resource Policy, 2016 which requires Every Ministry/State Department to prepare Human Resource Plans.

In the circumstances, the effectiveness of human resource management could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit


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

to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 December, 2025

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.

Statement of Financial Performance for the Year Ended 30 June 2025

	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	36,556,888	19,213,283
		36,556,888	19,213,283
Revenue from Exchange transactions			
Rendering of services- fees from students	7	17,795,620	14,639,247
Revenue from Exchange transactions		17,795,620	14,639,247
Miscellaneous income	8	154,000	
Total Revenue		54,506,508	33,852,529
Expenses			
Use of goods and services	9	30,628,015	13,582,357
Employee costs	10	7,050,354	5,991,858
Board Expenses	11	1,304,270	532,000
Repairs and maintenance	12	1,139,885	587,540
Finance costs	13	28,400	24,354
Development Expenditure	14	14,245,722	8,391,971
Total Expenses		54,396,646	29,110,206
Net surplus for the year		109,862	4,742,323

The notes set out on pages 6 to 24 form an integral part of the Annual Financial Statements.

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

[Signature]

Chairman of Board

Date

17/11/25

[Signature]

Principal

Date





RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.

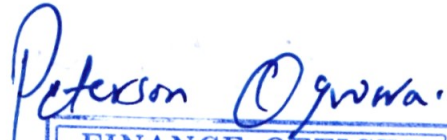
Statement of Financial Position as at 30th June 2025


Description	Notes	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	15	6,449,619	6,339,883
Current portion of receivables from exchange transactions	16	19,541,266	6,435,665
Inventories	17	703,624	312,912
Total Current Assets		26,694,509	13,088,460
Non-Current Assets			
Property, plant, and equipment	18	326,685,680	312,439,958
Biological Assets	19	625,000	-
Total Non-Current Assets		327,310,680	312,439,958
Total Assets (A)		354,005,189	325,528,418
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	20	5,483,090	2,247,430
Total Current Liabilities		5,483,090	2,247,430
Non-current liabilities		-	-
Total Liabilities (B)		5,483,090	2,247,430
Net Assets (A-B)		348,522,099	323,280,988
Represented By:			
Accumulated Surplus		10,950,892	10,841,030
Capital Fund		337,571,207	312,439,958
Net Assets		348,522,099	323,280,988

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



 Chairman of Board
 Date 17/11/25




 Finance Officer
 Date 17 NOV 2025


Statement of Changes in Net Asset for The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	-	6,033,342	304,047,987	310,081,329
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	4,742,323	-	4,742,323
Capital grants received during the year	-	-	8,391,971	8,391,971
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	-	10,775,665	312,439,958	323,215,623
	-			
At July 1, 2024	-	10,775,665	312,439,958	323,215,623
Revaluation gain	-			
Surplus for the year	-	109,862	-	109,862
Capital grants received during the year	-		14,245,722	14,245,722
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			
At June 30, 2025	-	10,885,527	326,685,680	337,571,207

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.

Statement of Cash Flows for the Year Ended 30 June 2025

Description		FY 2024-2025	FY 2023-2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	36,556,888	19,213,283
Rendering of services- fees from students	7	17,795,620	14,639,246
Miscellaneous income	8	154,000	-
Total Receipts		54,506,508	33,852,529
Payments			
Use of goods and services	9	30,628,015	13,582,483
Employee costs	10	7,050,354	5,991,858
Board Expenses	11	1,304,270	532,000
Repairs and maintenance	12	1,139,885	587,540
Finance costs	13	28,400	24,354
Total Payments		40,150,924	20,718,235
Net Cash Flows from operating activities		14,355,584	13,134,294
Cash flows from investing activities			
Development projects	14	14,245,722	8,391,971
Net cash flows used in investing activities		14,245,722	8,391,971
Net Decrease in Cash and Cash equivalents		109,862	4,742,323
Cash and Cash equivalents at 1 JULY		6,339,757	1,597,434
Cash and Cash equivalents at 30 JUNE	15	6,449,619	6,339,757

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.

Statement of Comparison of Budget & Actual amounts for Year Ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Receipts						
Transfers from other National Government entities	53,751,200	-	53,751,200	36,556,888	17,194,312	68%
NGCDF	4,000,000	-	4,000,000	0	4,000,000	0
Production	755,000	-	755,000	0	755,000	0%
Rendering of services- fees from students	68,001,200	-	68,001,200	17,795,620	50,205,580	26%
Miscellaneous income	300,000	-	300,000	154,000	146,000	51%
Total Receipts	126,807,400	-	126,807,400	54,506,508	72,300,892	43%
Payments						
Use of goods and services	84,014,179	-	84,014,179	30,628,015	53,386,164	36%
Employee costs	14,707,500	-	14,707,500	7,050,354	7,657,146	48%
Board Expenses	660,000	-	660,000	1,304,270	(644,270)	198%
Repairs and maintenance	2,635,500	-	2,635,500	1,139,885	1,495,615	43%
Finance costs	81,921	-	81,921	28,400	53,521	35%
Total Expenditure Payments	102,099,100	-	102,099,100	40,150,924	61,948,176	39%
Capital Expenditure Payments	24,708,300	-	24,708,300	14,245,722	10,462,578	58%
Surplus	0	-	0	109,862	51,785,598	0

Budget notes

The variances witnessed above was as result of the following and sample disbursement notification letters are attached herein.

- ✓ Quarterly government funding was reduced to ksh3500 from ksh 7,500 as budgeted.
- ✓ NGCDF was not received as budgeted
- ✓ Helb disbursement was not remitted as budgeted in the year under review.

Notes to the Financial Statements

1. General Information

Riragia Technical and vocational college was established under the TVET Act 2013 and commenced its operations on 15/07/2020. The entity is domiciled in kegogi approximately 1 kilometer from Kegogi market. The institute is under the Ministry of Education

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue and effective in the year ended 30 June 2024.

There are no new standards and interpretations issued in the Financial Year under review.

ii. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
Amendments to IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when d) To update the guidance on IPSAS 41 was issued.

Standard	Effective date and impact:
	e) Amendments to IPSAS 33 classifying financial instruments f) on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issue
Other improvements to IPSAS	<i>Applicable 1st January 2023</i> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.

iii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

Standard	Effective date and impact:
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of Riragia TVC. The new standard requires Riragia TVC to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iv. Early adoption of standards

Riragia Technical and vocational college did not early-adopt any new or amended standards in year 2024-2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential

related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on 31/07/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. Riragia TVC'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 financial performance has been presented on page 5 of these financial statements.

c) Taxes

Current income tax

There were no income tax to be paid for the year 2024-2025.

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

Riragia Technical and vocational college currently does not have any investment properties.

e) Property, plant and equipment

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

f) Leases

Riragia Technical and vocational college currently does not have any Finance lease or operating lease.

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. 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.

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. Riragia Technical and vocational college don't have any provision that some debtors will not honour their obligation to pay.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. Riragia Technical and vocational college did not amortize any of its Assets during the year under review.

h) Inventories

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

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

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

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

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

i) Provisions

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

Contingent liabilities

Riragia Technical and vocational college does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

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

j) 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. Riragia Technical and vocational college recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability. Riragia Technical and vocational college did not have any social benefits during the financial year under review.

k) Changes in accounting policies and estimates

Riragia Technical and vocational college recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) Employee benefits

Retirement benefit plans

Riragia does not provide retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans.

m) Foreign currency transactions

Riragia Technical and vocational college did not have any foreign currency transactions.

n) 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.

o) Related parties

Riragia Technical and Vocational college regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

p) Service concession arrangements

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

q) 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.

r) Comparative figures

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

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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

6. (a). Transfers from other National Government entities

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation and scholarships	16,864,088	19,213,283
NYS Fees	19,692,800	-
Total unconditional Grants	36,556,888	19,213,283
Total Government Grants and Subsidies	36,556,888	19,213,283

(b). Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023-2024 FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of NYS	19,692,800	-	-	19,692,800	-
Education Ministry	16,864,088	-	-	16,864,088	19,213,283
Total	36,556,888	-	-	36,556,888	19,213,283

7. Rendering of Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Tuition Fees	5,102,941	3,559,024
Activity Fees		1,504,000
Industrial Attachment Fees	-	-
Examination Fees	123,679	1,483,160
Personal emolument	3,678,560	4,292,548
Administrative costs	2,908,650	1,500,000
Registration Fees	567,900	
Development	5,413,890	2,300,515
Total Revenue from The Rendering of Services	17,795,620	14,639,247

8. Miscellaneous Income

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Graduation fees	154,000	-
Bad debts recovered	-	-
Income written back	-	-
Total other income	154,000	-

9. Use of Goods and Services

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Teaching and learning materials	5,951,542	2,721,780
Electricity water and conservancy	186,269	180,942
Advertising/marketing	873,250	512,980
Examination fees	5,064,295	1,483,160
Boarding expenses	5,770,764	1,515,988
Medical expenses	10,000	-
Travelling and accommodation	3,813,598	3,145,070
Production costs	1,065,563	145,030
Graduation expenses	2,318,395	-
Student welfare	189,330	100,000
Activity costs	1,248,452	1,157,600
Administration expenses	4,136,557	2,599,807
Loans	-	20,000
Total good and services	30,628,015	13,582,357

10. Employee Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Salaries and wages	6,226,842	5,871,330
Employee related costs - contributions to pensions and medical aids	823,512	120,528
Employee Costs	7,050,354	5,991,858

11. Board Expenses

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	-	-
Sitting Allowances	1,304,270	532,000
Other Board Expenses	-	-
Total	1,304,270	532,000

12. Repairs and Maintenance

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Repair of sewing machine	21,390	34,690
Repair of printers and projector	37,500	25,600
Repair of electricity	2,000	720
Repair of water tanks and water systems	107,440	6,900
Furniture and fittings, store and office partitioning	305,985	127,912
Computers and accessories	-	17,518
Repair of mechanical machines and generator	9,200	8,500
Repair of tuition block	45,000	300,700
Repair of fire extinguishers	-	65,000
Fencing and ground leveling	141,820	-
Joko's and lethe machines	34,800	-
Construction of pathways and workshop	434,750	-
Total Repairs and Maintenance	1,139,885	587,540

13. Finance Costs

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Bank charges- operations account	25,592	24,354
-CDF account	2,808	-
Interest on Loans from Commercial Banks	-	-
Total Finance Costs	28,400	24,354

14. Development Expenditure

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Construction of gate	809,244	3,391,289
Construction of electrical workshop	490,690	1,580,917
Construction of retention wall	633,000	184,200
Construction of lecture hall	-	2,141,251
Networking /ERP System/computers	1,803,000	719,466
Hairdressing and beauty workshop	-	55,600
Furniture and fittings	230,000	319,248
Construction of toilets	570,815	-
Construction of poultry house	257,500	-
Land purchase	5,920,000	-
Construction of pathways	123,280	-
Construction of stair offices	711,574	-
Construction of zero grazing unit	2,696,619	-
Total Repairs and Maintenance	14,245,722	8,391,971

15. (a). Cash and Cash Equivalents

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Account- Operations account- 1268855723	6,184,180	6,122,063
CDF account - 1279017058	101,082	103,890
Cash in hand	164,357	113,930
Total Cash and Cash Equivalents	6,449,619	6,339,883

(b). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	-1268855723	6,184,180	6,122,063
	-1279017058	101,082	103,890
Sub- Total		6,285,262	6,225,953
Cash in Hand	-	164,357	113,930
Sub- Total		164,357	113,930
Grand Total		6,449,619	6,339,883

16. Receivables from Exchange transactions**(a) Current Receivables from Exchange transactions**

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors	19,541,266	6,435,665
Total Current Receivables	19,541,266	6,435,665

(b) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
At the beginning of the year	6,435,665	880,000
Provisions during the year	20,996,366	5,935,665
Recovered during the year	7,890,765	(380,000)
Write offs during the year	-	-
At the end of the year	19,541,266	6,435,665

17. Inventories

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Consumable stores	-	135,408
Cleaning	38,240	153,574
Food stuff	187,665	23,930
stationery	477,719	-
Total Inventories at lower of Cost and Net Realizable Value	703,624	312,912

18. Property, Plant and Equipment

Cost	Land and buildings	Furniture and fittings	Computers	Plant and equipment	Other Training machines i.e browers and massage bed	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2023	102,363,987	1,256,500	60,000	200,044,000	323,500	304,047,987
Additions	7,297,657	374,848	719,466	-	-	8,391,971
At 30 th June 2024	109,661,644	1,631,348	779,466	200,044,000	323,500	312,439,958
Additions	12,212,722	230,000	553,000	-	1,250,000	14,245,722
Disposals	-	-	-	-	-	-
At 30 th June 2025	121,874,366	1,861,348	1,332,466	200,044,000	1,573,500	326,685,680
Depreciation And Impairment						
At 1 Jun 2024	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
At 30 Jun 2025	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
At 30 th Jun 2025	121,874,366	1,861,348	1,332,466	200,044,000	1,573,500	326,685,680
Net Book Values						
At 30 th Jun 2024	109,661,644	1,631,348	779,466	200,044,000	323,500	312,439,958
At 30 th Jun 2025	121,874,366	1,861,348	1,332,466	200,044,000	1,573,500	326,685,680

19. Biological Assets

	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Trees in a plantation forest	-	-
Animals: Dairy Cattle	625,000	-
Total	625,000	-

20. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The entity'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 entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

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

(i) Credit risk

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

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

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

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

(ii) Liquidity risk management

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

The table below represents cash flows payable by the entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed

in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	-	2,247,430	-	2,247,430
Total	-	2,247,430	-	2,247,430
At 30 June 2025				
Trade Payables	-	4,702,106	780,984	5,483,090
Total	-	4,706,490	780,984	5,483,090

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

Riragia technical and vocational college have not had any foreign currency transactions so far

iv) Capital Risk Management

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

Description	2024-2025 FY	2023-2024 FY
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	109,862	4,742,323
Capital Reserve	326,685,680	312,439,958
Total Funds	326,795,542	317,182,281
Less: Cash and Bank Balances	(6,449,619)	(6,339,883)
Net Debt/(Excess Cash and Cash Equivalents)	320,345,923	310,842,398
Gearing	98%	98%

21. Events After the Reporting Period

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

22. Ultimate and Holding Entity

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

23. Currency

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

Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Unsupported Revenue from Exchange Transactions	The college has procured an ERP system which can assist in giving vote head summaries at the end of each financial year.	Resolved	2025-2026 FY
2.	Unsupported property plant and equipment	The college is in its final stages of acquiring land title deeds, as the case in the court has been ruled.	Not Resolved	2025-2026 FY
3.	Lack of Approved Establishment and career progression Guidelines	The management has engaged one of the public service trainer with relevant qualifications to assist in preparing the same.	Resolved	2025-2026 FY
4.	Irregular Procedures on Casuals Engagement.	As confirmed above the college has engaged one of the trainers to assist in contracting employees whenever need a rises.	Resolved	2025-2026 FY
5.	Non –Compliance with the law on Ethnic Diversity in staffing	The management will try and improve the salary scale of its employees hence accommodate staff from other communities	Not Resolved	2025-2026 FY

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6.	Weak Internal controls and Weaknesses in ICT Environment	The management has so far employed an ICT technician who will assist in all ICT related matters, on the other hand the management has developed ICT policy manual.	Resolved	2025-2025 FY
7.	Weak controls over Fees	The management has procured ERP system which will assist in student billing immediately a student is admitted.	Resolved	2025-2026 FY

Name

Paul Makori

Accounting Officer



Date.....

RIRAGIA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended June 30, 2025.
