

REPUBLIC OF KENYA



# REPORT

THE NATIONAL ASSEMBLY  
PAPERS LAID

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V. WAMBUI

**THE AUDITOR-GENERAL**

**ON**

**GICHUGU TECHNICAL AND  
VOCATIONAL COLLEGE**

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



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**GICHUGU TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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

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

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

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## **1. Acronyms and Definition of Key Terms**

### **A. Acronyms**

|       |  |
|-------|--|
| BOG   | Board of Governors                                 |
| ICPAK | Institute of Certified Public Accountants of Kenya |
| IPSAS | International Public Sector Accounting Standards   |
| PFM   | Public Finance Management                          |
| PSASB | Public Sector Accounting Standards Board           |
| TTI   | Technical Training Institute                       |
| GTVC  | Gichugu Technical Vocational College               |

### **B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

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

**2. Key College Information and Management**

**(a) Background information**

The Gichugu TVC was established under the TVET Act 2013 on 28<sup>th</sup> August 2024. The College was officially registered with TVETA AND TVETDACC for trainee assessment and certification. The College is domiciled in Kenya and is a Government Technical Training Institute situated at Kianyaga in Kirinyaga County under the Ministry of Education.

GTVC is located in Kirinyaga County, Kirinyaga East Sub-County, at Kiambatha Centre, 2 km from Thumaita Tea factory.

The College was officially commissioned on August 2024 and with 274 trainees. The Current trainee population of the College is over 500 trainees.

Gichugu TVC is a Centre of Excellence in Engineering, Information Communication Technology, Fashion and Design, Hospitality and Tourism, and Business with state-of-the-art Laboratories and workshops which are equipped with modern machines, equipment, and computers.

**(b) Principal Activities**

The principal activity of the College is to offer vocational training and certification services.

**Vision**

To be a center of excellence in technical and vocational training for sustainable development.

**Mission**

To provide accessible, quality, and industry-driven technical and vocational education and training that empowers graduates with skills, innovation, and values for employability, entrepreneurship, and national development.

**Core Values**

- Integrity
- Equity and Inclusiveness
- Professionalism
- Innovation and Creativity
- Teamwork and Collaboration
- Excellence
- Learner-Centeredness

**(c) Key Management**

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

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

**(d) Fiduciary Management**

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

| <b>SN.</b> | <b>Designation</b>  | <b>Name</b>    |
|------------|---------------------|----------------|
| 1.         | Principal           | Joseph Kimemia |
| 2.         | Deputy principal    | James W. Wahu  |
| 4          | Registrar (s)       | Paul Wanjohi   |
| 5          | Dean of students    | Grace Ntinyari |
| 6          | Head of Finance     | Hellen Munyi   |
| 7          | Head of Procurement | -              |

**Key College Information and Management (Continued)**

**(e) Fiduciary Oversight Arrangements**

**(f) Fiduciary Oversight Arrangements**

**Finance and Human Resource Committee**

The Committee shall exercise all the powers of BOG in financial matters except in relation to items which are reserved to BOG, on which the Committee shall advise the BOG.

Terms of Reference: The role of the Committee shall be to monitor the financial status of the college on behalf of the BOG. In addition to advising BOG on those matters referred to above, the Committee's responsibilities shall be:

- (i) To monitor and facilitate the implementation of the College's strategy with regard to financial matters;
- (ii) To consider the adequacy of the College estate and proposals for its maintenance and development, including opportunities to dispose of and acquire new projects;
- (iii) To determine the fees and charges made for the college services and facilities
- (iv) To supervise the financial administration of the College and make recommendations to BOG where appropriate;
- (v) To supervise the arrangements for safeguarding the College's assets;
- (vi) To ensure the proper financial evaluation and control of projects;
- (vii) To supervise the arrangements for investing the College's funds, including monitoring the performance of investments;
- (viii) To ensure the appropriate exploitation of the College's intellectual property;
- (ix) To make recommendations to BOG on the financing of projects; and
- (x) To supervise the effective and efficient procurement and use of resources in accordance with the objectives of the College.
- (xi) To receive reports from the Accounting Officer ensuring that ensuring that financial statements are understandable, transparent and reliable;

**Risk and Audit Committee Activities**

The Committee shall exercise all the powers of BOG in audit, governance and risk management matters except in relation to items which are reserved to BOG, on which the Committee shall advise the BOG. The Committee responsibilities shall include:

**Key Entity Information and Management (Continued)**

- (i) Ensuring the risk management process is comprehensive and on-going, rather than partial and periodic;
- (ii) Helping achieve an organization wide commitment to strong and effective internal controls, emanating from the tone at the top;
- (iii) Reviewing corporate policies relating to compliance with laws and regulations, ethics, conflicts of interest, and the investigation of misconduct and fraud;

- (iv) Reviewing current and pending corporate governance related litigation or regulatory proceedings to which the institution is party;
- (v) Continually communicating with senior management regarding status, progress, and new developments, as well as problematic areas;
- (vi) Ensuring the internal auditor's access to the audit committee, encouraging communication beyond scheduled committee meetings;
- (vii) Reviewing internal audit plans, reports and significant findings; and
- (viii) Establishing a direct reporting relationship with the external auditors.

**Training, Research and Infrastructure Development Committee Activities**

The Committee shall exercise all the powers of BOG in Training, Research and Infrastructure Development matters except in relation to items which are reserved to BOG, on which the Committee shall advise the BOG. The Committee responsibilities shall include:

- (i) Driving the College's research agenda in line with the country's Vision;
- (ii) Encouraging research culture in the college;
- (iii) Institutionalizing networking, collaboration research and outreach in the College;
- (iv) Encouraging innovation and handle issues to do with intellectual property rights;
- (v) Ensuring dissemination of research findings;
- (vi) Advising the Board of Governors on the strategic direction of the College's academic activities, academic risks and the overall effectiveness of services in support of the academic endeavour;
- (vii) Providing assurance to the Board of Governors on the effectiveness of the College's academic governance arrangements, the student experience, and setting and maintaining standards;
- (viii) Supporting the development of policies, guidelines, procedures, regulations and standards.

**Senior Management Activities**

The main purpose of the senior management team is to:

- (i) Ensure that GTVC BOG is able to take strategic decisions relation to the College's activities;
- (ii) Provide leadership in communicating GTVC mission, vision, strategic goals, core values, plans and achievements effectively and consistently to BOG, Government, and Staff, Clients, community members and the general public and other stakeholders;

**Key Entity Information and Management (Continued)**

- (iii) Be accountable for the development and implementation of the College's strategic, corporate and business plans in line with the mission and vision; and
- (iv) Take a strategic overview of performance in all areas of the College's activities.
- (v) Make recommendations to the BOG on the implementation and achievement of the Board's Strategic Framework;

- (vi) Monitor the College's Corporate Plan delivery through appropriate key management and performance information reporting to the Board of Governors appropriately;
- (vii) In light of income projections and forecasts, considers the annual grants and operational expenditures and monitors such expenditures;
- (viii) Determines strategic issues arising from the introduction of new policies or process, including actively managing risks across the College and regularly reviewing the corporate risk register;

Considers the impact of external factors and developments, including specific political initiatives and the response to key consultation documents and where appropriate make recommendations to the Board.

**(g) College Headquarters**

P.O. Box 11-1031  
Kianyaga, Kenya

**(h) College Contacts**

Telephone: (254) 746276699  
E-mail: [gichugutvc@gmail.com](mailto:gichugutvc@gmail.com)  
Website: [www.gichugutvc.ac.ke](http://www.gichugutvc.ac.ke)

**(i) College Bankers**

1. Equity Bank  
Kutus, Branch
2. Family Bank  
Kutus Branch

**(j) Independent Auditors**




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

**Key College Information and Management (Continued)**


**(k) Principal Legal Adviser**

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





3.The Board of Governors


| No. | Member/ Director  | Details   |
|-----|---|---|
| 1.  |  <p><b>Dr. Joseph Muguthu</b><br/>Chairman of the Board<br/>PPh.D. in Mechanical<br/>manufacture &amp; Automation<br/>Master of Philosophy in<br/>Technological Education<br/>BED – Technology<br/>Education</p>       | <ul style="list-style-type: none"> <li>• Date of Birth 14<sup>th</sup> Dec 1972</li> <li>• Lecturer Kenyatta university with over 14 years</li> <li>• Lecturer at Technical institutions for 11 years</li> <li>• Maths Physic teacher – Hekima Girls - 2 years</li> <li>• Has published many journals and papers.</li> <li>• He is an independent member</li> </ul>   |
| 2.  |  <p><b>Peris Muniafu</b><br/>BoG Member<br/>MBA-Strategic<br/>Management<br/>BSC – Strategic<br/>Management</p>  | <ul style="list-style-type: none"> <li>• Date of Birth ... 1967</li> <li>• Certified Custodian from IFF (UK)</li> <li>• Bank Manager – NBK</li> <li>• Trustee NBK Staff Pension Fund</li> <li>• Executive Career coach and RMT chairperson</li> <li>• She is an independent member</li> <li>• She chairs Finance &amp; Operations committee</li> </ul>  |
| 3.  |  <p><b>Stephen Chongoti</b><br/>BoG Member<br/>BSc(Maths) - B.<br/>University Canada<br/>Diploma – Farm<br/>Machinery<br/>Mechanics Canada</p>  | <ul style="list-style-type: none"> <li>• Date of Birth 18th Dec 1963</li> <li>• Director &amp; Founder – Contour Construction &amp; Engineering Ltd</li> <li>• Director &amp; Founder -Mtandao ltd</li> <li>• Manager/Systems administration – Telkom.</li> <li>• He is an independent member</li> <li>• He chairs Academic committee</li> </ul>  |
| 4.  |  <p><b>Eng. (Dr.) Charles Mwaniki</b><br/>Ph.D. in Electrical<br/>Engineering<br/>MSc– in Electrical and<br/>Electronic Engineering -<br/>UoN-Bachelor of science in<br/>Electrical<br/>and Electronic Eng - UoN</p> | <ul style="list-style-type: none"> <li>• Date of Birth 12th July 1972</li> <li>• Senior Lecturer, Machakos University</li> <li>• Acting Dean, School of E &amp; Technology, MU</li> <li>• Registered Corporate Member (IEK)</li> <li>• Engaged in TIVET Curriculum design</li> <li>• Has published many journals and papers.</li> <li>• He is an independent member</li> <li>• He’s a member of Finance &amp; Operations committee</li> </ul> |

|    |   |  |  |
|----|---|--|--|
| 5. |    | <p><b>Daniel Ochieng Ogola</b><br/>BoG Member<br/>Masters –Community health &amp; development<br/>BSc – (Hons) KU</p>  | <ul style="list-style-type: none"> <li>• Date of Birth 6th April 1967</li> <li>• Project technical advisor – HIV/Aids program</li> <li>• Consultancy – National Agriculture Sector Growth and Transformation Strategy (ASGTS)</li> <li>• Project officer – Skilled care initiative project.</li> <li>• He is an independent member</li> <li>• He chairs Audit &amp; risk committee</li> </ul>                          |
| 6. |    | <p><b>Anthony Moseka Ole Pareyio</b><br/>BoG Member<br/>Bachelor of Legal Laws-<br/>University of Bombay –<br/>India<br/>Bachelor of Arts-<br/>Community Dev't &amp;<br/>Extension -India.</p> | <ul style="list-style-type: none"> <li>• Date of Birth: 6th January 1972</li> <li>• Part- time Lecturer- MM University</li> <li>• Six years as a BoG Member – Bureti TTI</li> <li>• Current PTA –Chairman- Sakutiek Sec Sch</li> <li>• Worked as Extension Officer with EGP</li> <li>• He is an independent member</li> <li>• He's a member of Academic committee</li> <li>• And Audit &amp; risk committee</li> </ul> |
| 7. |   | <p><b>Lydia M, Kyalo</b><br/>BoG Member<br/>Ongoing Master in special<br/>education – KU<br/>Bachelor in special education-<br/>KU<br/>Diploma in Education.</p>                               | <ul style="list-style-type: none"> <li>• Date of Birth: 1st Jan 1965</li> <li>• Deputy principal Kenya Institute for the Blind</li> <li>• Performance Contracting Coordinator</li> <li>• Integrity Assurance Officer (IAO)</li> <li>• She is an Independent member</li> <li>• She's a member of Academic committee</li> </ul>  |
| 8. |  | <p><b>Bishop Kennedy Mbatia</b><br/>BoG Member<br/>Bachelor of Veterinary<br/>medicine and surgery- UoN<br/>Senior pastor and founder-<br/>Deliverance Church<br/>International Thika</p>      | <ul style="list-style-type: none"> <li>• Date of Birth: 1961</li> <li>• He is an Independent member</li> <li>• He's a member of Academic committee</li> </ul>  |
| 9. |  | <p><b>Irene Wanjiru Karuru</b><br/>BoG Member<br/>Bachelor of education<br/>Master in education<br/>specialization in economics<br/>of education</p>   | <ul style="list-style-type: none"> <li>• Date of Birth: 21st Dec 1965</li> <li>• She is an executive member</li> <li>• He's a member of Audit &amp; risk committee</li> </ul>  |

|     |   |                           |
|-----|---|---------------------------|
| 10. |  <p><b>Kimemia Kimemia</b><br/>Principal/Secretary BOG</p> | Date of Birth: 30/04/1986 |
|-----|---|---------------------------|

4. Key Management Team

| SN. | Member   | Details          |
|-----|--|------------------|
| 1.  | <br>Joseph Kimemia<br>Principal | CEO              |
| 2.  | <br>James W. Wahu              | Deputy Principal |
| 3.  | <br>Paul Wanjohi              | Registrar (s)    |
| 4.  | <br>Grace Ntinyari            | Dean of Trainees |

|    |   |                 |
|----|---|-----------------|
| 5. | <br>Hellen Munyi | Finance Officer |
|----|---|-----------------|

## **5. Chairman's Statement**

I take this opportunity to present the Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025 for this great College.

During the financial year ending June, 2025, the College remained focused on its mission to provide Technical and Vocational Education and Training and Research that promotes creativity, innovation and incubation to meet local, regional and global dynamic socio-economic and environmental challenges.

I wish to state that during the financial year, the College maintained prudent financial management strategies and controls to avoid wastage of resources.

The board of governors of Thika Technical Training Institute, being the mentor of Gichugu TVC, is committed to the highest level of probity in the conduct of its business and continues to offer leadership and guidance to the management in order to achieve the College's strategic objectives as set out in the Strategic Plan. During the financial year, the Management has ensured compliance to the various regulatory bodies.

The board thanks all the stakeholders including the trainers, administrative staff, suppliers, trainees, the community surrounding the College and most sincerely the Government of Kenya who contributed in one way or another to make the year successful specifically for funding the College through the recurrent grants to enable this young and coming up College set up infrastructure to enable it fulfil its mandate.

God bless us all.



BOG Chairman-  
Thika Technical Training Institute.

## **6. Report of the Principal**

Gichugu Technical and Vocational College is well placed to providing adequate and relevant training to her graduates that will enable them to contribute towards the attainment of our country's Vision 2030 strategic objectives. In furtherance of our mandate therefore, we have committed ourselves to consistently and regularly review, improve and consolidate our academic programs in several ways that will ensure their competitiveness in terms of quality and relevance.

With the guidance of the Governing Board, we worked hard in setting up structures and policies aimed at guiding the institution in the right strategic direction.

### **a) Highlights of FY 2024/2025 Performance**

The performance of the College for the year 2024-2025 are set out in pages 1-5.

### **b) Trainees Enrolment**

We closed the year with a total population of 515. I have confidence that the trainees are well equipped with the necessary skills that strategically aligns them with opportunities within our Counties, Country, Regionally and globally at the same time contributing to the realization of the Bottom-Up Economic Agenda of the Government.

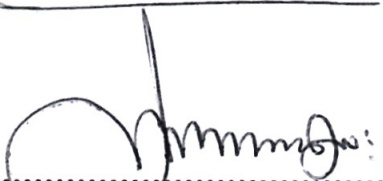
Gichugu Technical and Vocational College being a tertiary institution desires to enhance its visibility, performance, and competitiveness in the tertiary education sector in the face of stiff competition. However, the College requires a lot of support from the Government and other stakeholders in this crucial transitional stage to a National College in terms of funding, material support and enhancement of Income Generating Activities to reinforce external support.

On behalf of the College Board, staff and trainees, I take this opportunity to thank the Government for its unequivocal support during the year under review.

I also appreciate the financial, material and moral support of our collaborators, partners and friends during the year. It is because of the understanding and guidance of Thika Technical Training Institute, our mentor, as well as the cooperation of the entire staff and our trainees that we ended the year within an environment of peace and stability. I wish to register my sincere gratitude to them all.

I look forward to their continued support in the new financial year and the years ahead.

---



.....  
**MR. JOSEPH KIMEMIA**  
**BOG SECRETARY/PRINCIPAL**

**7. Statement of Performance against Predetermined Objectives**

Gichugu TVC has *X* strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2024- FY 2025. These strategic pillars are as follows:

- Pillar/ theme/issue 1: Quality and Relevance
- Pillar/ theme/ issue 2: Leadership and Governance
- Pillar/ theme/ issue 3: Infrastructural Capacity
- Pillar/ theme/ issue 4: Trainees Welfare

Gichugu TVC develops its annual work plans based on the above *X* pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2024/2027period for its (4 strategic pillars, as indicated in the diagram below:

| Strategic Issue                  | KRA   | Objective   | Strategy  |
|----------------------------------|---|---|---|
| <b>Quality and Relevance</b>     | Curriculum development  | Ensure effective implementation and continuous improvement of the curriculum.   | Introduce and implement market driven courses   |
|                                  |   |   | Enhance access to learning resources and materials  |
|                                  |   |   | Recognition of prior learning (RPL)   |
|                                  | Quality Assurance   | To ensure consistent delivery of high-quality training  | To ensure consistent delivery of<br>Enhance internal quality assurance mechanisms<br>Regular evaluation of programs and processes |
| Industry Linkages                | Strengthen collaboration with industries for practical training       | Enhance trainee industrial exposure; Implement dual CBS training; Undertake trainer’s industrial exposure               |   |
| Research and Innovation          | Promote a culture of research and innovation among staff and trainees | Participate in national international research conferences and fairs: Support innovation hubs and research competitions |   |
| <b>Leadership and Governance</b> | Governance and Compliance   | Strengthen governance structures and ensure policy compliance   | Strengthen governance structures and leadership   |
|                                  |   |   | Ensure compliance with regulatory and policy requirements   |
|                                  | Human Resource Capacity   | Build a competent and motivated workforce   | Attract and retain qualified staff<br>Enhance staff competence<br>Implement a performance management system                       |

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

|                                 |  |   |  |
|---------------------------------|--|---|--|
|                                 | Financial Sustainability                 | Enhance institutional financial sustainability                | Optimize internal revenue generation<br>Strengthen financial management and accountability<br>Secure external funding and partnerships |
|                                 | Corporate Image and Community Engagement | Enhance the visibility and reputation of the institution      | Enhance branding and marketing<br>Strengthen stakeholder engagement and communication<br>Environmental Management                      |
| <b>Infrastructural capacity</b> |  |   | <b>Automate institutional processes</b>  |
|                                 | ICT infrastructure and Integration       | Integrate ICT to enhance service delivery and learning        | Expand ICT Infrastructure  |
|                                 | Physical Infrastructure                  | Improve and maintain institutional physical infrastructure    | Establish additional physical infrastructure   |
|                                 |  |   | Upgrade and improve existing infrastructure  |
|                                 |  |   | Enhance transport and accessibility  |
| <b>Trainees' Welfare</b>        | Trainee Governance                       | Empower trainees through participatory governance             | Strengthen trainee council structures<br>Facilitate trainee forums and mentorship programs   |
|                                 | Trainee Health & Well-being              | Promote the physical, mental, and social wellness of trainees | Enhance participation in recreational and co-curricular activities<br>Enhance medical and psychosocial support systems                 |

## **8. Corporate Governance Statement**

The statement outlines the key aspects of the College's corporate governance framework. Corporate governance is the process by which the College is directed, controlled and held to account. It provides the structure through which the strategic objectives of the College are set, and the means of attaining of them as well as monitoring performance. Corporate Governance dictates the engagement between the College Board of Governors, Management, Regulators and all Stakeholders.

The College in its decision-making processes observes the highest ethical standards and benchmarks on global best practices in compliance with the applicable legal principles, its vision, mission and core values for sustainability of the College.

### **i. The Board Charter.**

The Board is guided by the Board Charter which defines the governance procedures within which the Board exists and operates. The charter was enacted by the board in February 2023 and it clearly states the respective roles, responsibilities and the authorities of the Board and its Committees.

### **ii. Board Appointment and Composition.**

In accordance with the TVET Act, 2013, the Board of Governors consists of nine persons appointed by the Cabinet Secretary for a period for of three years and who are eligible for re-appointment for a further one term.

The membership of the Board of Governors comprises of;

- (a) The Chairperson;
- (b) The principal who is the Secretary to the Board of Governors.
- (c) Representative of the Principal Secretary in the Ministry of Education Science and Technology, State Department of TVET
- (d) Representative of the Governor of County Government of Nakuru
- (e) Five other members appointed on the basis of their knowledge and experience in;
  - i. Leadership and Management;
  - ii. Financial Management;
  - iii. Technology;
  - iv. Industry;
  - v. Engineering;
  - vi. Information Communication Technology

**Some of the roles of the Board of Governors include:**

- (a) Approve the policies of the College
- (b) Employ staff
- (c) Approve the Annual Budget
- (d) Cause the Accounts to be kept and financial statement to be prepared and presented for audit.
- (e) Undertake other functions set out in the TVET Act, 2013.

**iii. Board Diversity**

The Board members possess a broad range of skills, expertise, experience and knowledge essential to undertake the College's mandate. The College endeavors to and remains compliant with the one third (1/3) gender balance.

**iv. Separation of Powers**

The Chairman of the Board's responsibilities include the operation, leadership and governance of the Board, ensuring its effectiveness and setting its agenda. The College Principal's roles and responsibilities include the day-to-day management of the College's business and overseeing the implementation of strategies, policies approved by the Board.

**v. Board's Effectiveness**

In order to ensure that the Board members are effective in their contribution to the management of the College, the members undergo regular training to enable them to fulfill their responsibilities. The Board members undergo a comprehensive induction and capacity building program upon their inauguration.

**vi. Board Evaluation**

The Board has put in place evaluation system to ensure that the Board achieves its objective. The Board evaluation is scheduled to take place in the year 2025/2026.

**vii. Sitting Allowances of the Board**

The Board members are remunerated for their service in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority. The remuneration includes sitting allowances per sitting to the Chairman and members. In addition, sitting allowances may be payable when on official duty in and outside the country.

**viii. Conflict of Interest**

The College conflict of interest policy outlines the circumstances under which a conflict of interest may arise. Board members are required to avoid conflict of interest and deal at arms-length in any matter that relates to the organization. However, a board member who identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the board. A register of interests is maintained and declarations of any conflicts of interests are made at the start of each committee and board meetings.

**ix. Committees of the Board:**

The College has a total of three committees which are;

- (i) The Audit and Risk Committee
- (ii) Finance and Human Resource Committee
- (iii) Training, Research and Infrastructure Development Committee.

## 9. Management Discussion and Analysis

### SECTION A:

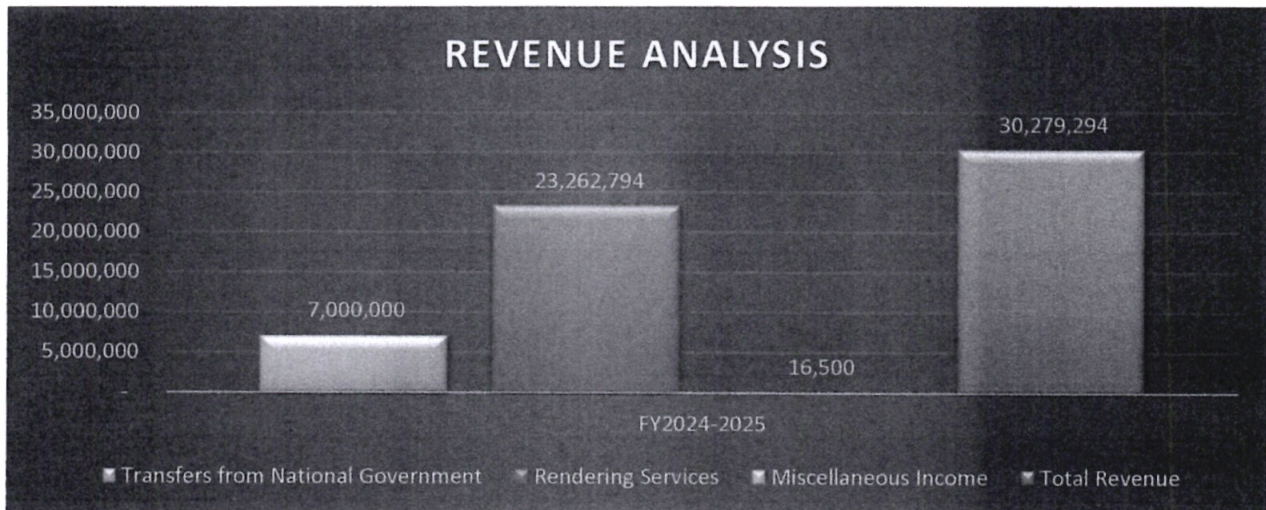
#### (a) The College's Performance

##### Revenue

The College's sources of funds during the year under review includes;

- (i) Government Grants – Operational grants
- (ii) Internally generated funds – Tuition and other related charges

During the year, revenue of Kshs 7,000,000 was receivable from the National Government as operational grants, Kshs 23,262,794 receivable as tuition fees from trainees, Kshs 16,500 received from Income generating activities (IGA). The total accrued revenue for the year was Kshs 30,279,294.

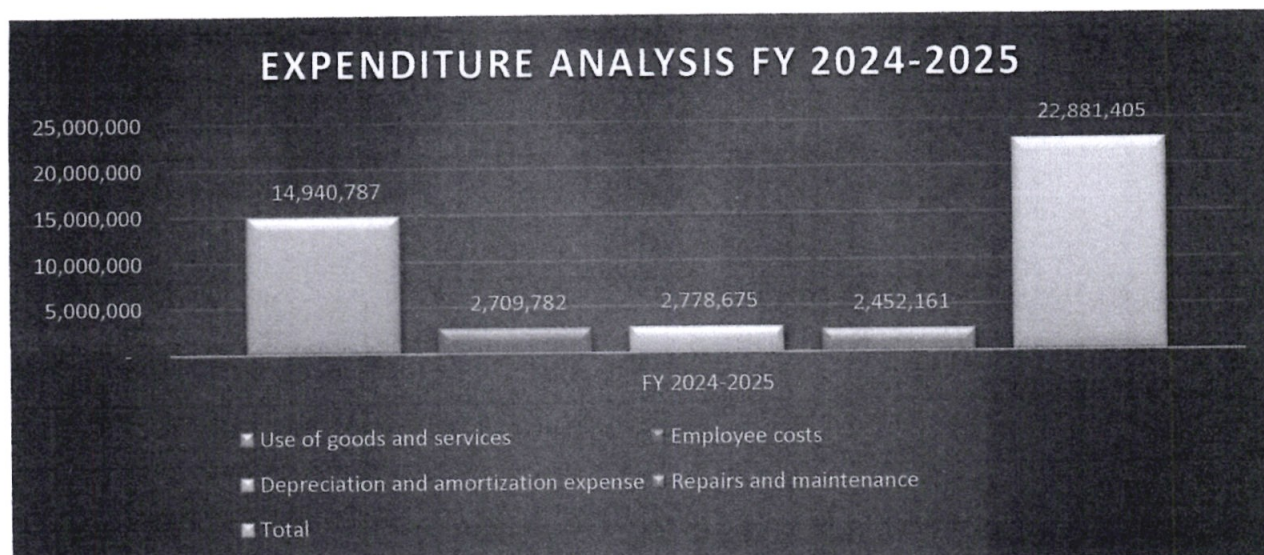


**Fig. 1. The College's Comparative Revenue Analysis for the periods ending 30<sup>th</sup> June 2024 and 30<sup>th</sup> June 2025.**

##### Expenditure

The college's expenditure comprises of the use of goods and services, employee costs, repairs and maintenance.

The overall expenditure for the period was Kshs 22,881,405.



**Fig. 2. The College's Comparative Expenditure Analysis for the periods ending 30<sup>th</sup> June 2024 and 30<sup>th</sup> June 2025.**

**(b) The College's Compliance with Statutory Requirements**

The College complies with statutory requirements and has remitted payroll statutory deductions over the years.

**(c) Material Arrears in Statutory/Financial Obligations.**

The College does not have any loan default, tax default, outstanding staff and pension obligation/actuarial deficit. The pending bills from suppliers as at the end of the financial year stood at Kshs 3,760,638.

**(d) Key Projects and Investment Decisions the College is Planning/Implementing.**

During the year under review the College undertook the following projects some of which are works in progress

**(e) The proposed projects are provided in the table below:**

| No. | PROPOSED PROJECTS                   | PROJECTED AMOUNT | SOURCE OF FUNDS                               |
|-----|-------------------------------------|------------------|---|
| 1   | Construction of catering unit Block |                  | Surplus realized over the year from GoK funds |

**(f) Major Challenges and Risks Facing the College**

The following are the major challenges facing the College.

| No. | Challenge                     | Mitigation   |
|-----|-------------------------------|--|
| 1   | Delayed disbursement of funds | Making formal follow-ups including, writing letters and visiting the Ministry of Education Offices |

**(g) The Entity's Financial Probity and serious Governance Issues**

There are where no financial probity and serious governance issues during the year under review.

**10. Environmental And Sustainability Reporting Statement**

Gichugu Technical and Vocational College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence.

**Environmental performance**

Use of softcopy material has been encouraged and thereby reduced on the use of paper. Training sessions are conducted with the use of white boards instead of chalk board thereby reducing dust and related effects.

**Employee welfare**

The College values her employees and the many stakeholders, including the wider community where the training of our students has the potential to bring positive social and environmental change. We value the contribution that individuals and external entities make to our College through community consultation process. Capacity building trainings were conducted during the year to improve on the staff competency and planning for retirement.

We integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviors of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We integrate the principles of social responsibility into our training activities externally by minimizing our environmental impact and seeking to enhance the amenity of residential communities.

| Activity                  | Description   |
|---------------------------|---|
| <b>Better training</b>    | <ul style="list-style-type: none"> <li>• Optimizing training operations to meet ongoing social and sustainability objectives.</li> <li>• Providing opportunities for growth as the College by becoming involved in our local community.</li> </ul>      |
| <b>Enhanced community</b> | <ul style="list-style-type: none"> <li>• Focusing on good urban design and empowered members for healthy, happy and resilient community.</li> </ul>   |
| <b>Supported Staff</b>    | <ul style="list-style-type: none"> <li>• Promoting initiatives that support staff and their families, beyond the provision of employment.</li> <li>• Promoting initiatives that recognize the contribution of the students to the community.</li> </ul> |

**Policies Guiding the College's Hiring Process**

| S/no | Title                            | Review Period | Remarks  |
|------|----------------------------------|---------------|--|
| 1    | Career Progression               | Regularly     | Vacant positions are filled competitively both internally and externally.<br>Financial resources are considered before effecting the strategy  |
| 2    | Human Resource Manual            | Regularly     | Terms and conditions of service governing employees are applied across the board without discrimination  |
| 3    | Internship Policy and guidelines | Regularly     | Intern positions are filled competitively and without discrimination   |
| 5    | Gender Mainstreaming             | Regularly     | The College observes equal employment opportunities during staff recruitment across all genders  |
| 6    | Disability Mainstreaming         | Regularly     | The college offers equal employment opportunities to officers living with disability.<br>The college also offers rights and privileges as provided in the PWDs Act and Board employment policies |

**Market place practices- Responsible Supply Chain and Supplier relations**

The college has maintained good business practice by complying with the government policy and Section 227 of The Constitution of Kenya.

All procurement activities have continuously been carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.

The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs.

Gichugu Technical and Vocational College has at all-time ensured responsible treatment of the suppliers in various ways as featured below;

- i) Ensuring proper communication channels e.g., Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers.
- ii) Providing customer support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.
- iii) When doing procurement planning the college has complied with preference and reservation requirements.

- iv) Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the supplier and also avoiding of penalties that may arise from delayed payment.
- v) Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers.

**Corporate Social Responsibility / Community Engagements**

During the year under review, the college carried out various CSR activities to impact the society such as tree planting, road safety awareness and helping the less fortunate in our community.

**11. Report of the Board of Governors**

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

**Principal activities**

The principal activities of the College are provision of vocational training and certification.

**Results**

The results of the College for the year ended June 30 are set out on page 1-5.

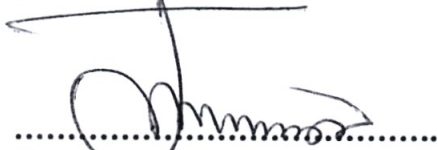
**Board of Governors**

The College did not have a board of Governors but was under mentorship of Thika Technical Training Institute set out on page ix.

**Auditors**

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

By Order of the Board



.....  
**Secretary of the Board**  
**Nairobi**

**Date:** 28/08/2025

**12. Statement of Board of Governors Responsibilities**

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

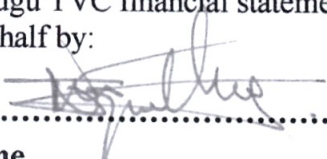
The board members are responsible for the preparation and presentation of Gichugu Technical and Vocational College financial statements, which give a true and fair view of the state of affairs of Gichugu Technical & Vocational College as at the end of the financial year ended on June 30, 2025. This responsibility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

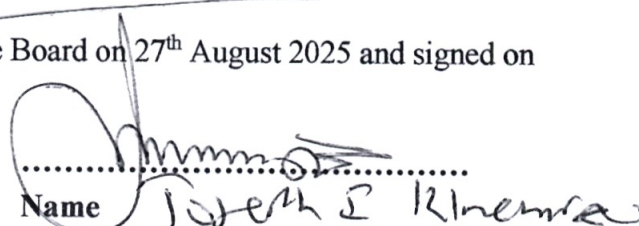
The board members accept responsibility for the Gichugu Technical and Vocational College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards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

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

**Approval of the financial statements**

Gichugu TVC financial statements were approved by the Board on 27<sup>th</sup> August 2025 and signed on its behalf by:

  
.....  
**Name**  
**Chairperson of the Board**

  
.....  
**Name**  
**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 GICHUGU 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 Gichugu Technical and Vocational College set out on pages 1 to 34, which comprise of the statement of financial

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gichugu 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 Public Finance Management Act, 2012.

## **Basis for Opinion**

### **1. Incorrect Cash and Cash Equivalent Balances**

The statement of financial position and Note 14 to the financial statements reflects cash and cash equivalents of Kshs.(42,852). Included in the balance is the Family Bank account which was overdrawn by an amount of Kshs.163,074. The account was not reported separately as a liability as required by IPSAS 1(48) which does not permit off-setting of assets and liabilities. Further, the details of the reconciling items and when they were cleared were not provided.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.(42,852) could not be confirmed.

### **2. Lack of Land Ownership Documents**

The statement of financial position reflects property, plant and equipment balance of Kshs.54,858,927 as disclosed in Note 16 to the financial statements.

The Gichugu Technical and Vocational College is built on Land title no. Ngariama/Kabare/116 measuring approximately 11.40 Acres. However, the registered proprietor is Native Land Trust Board. This implies that the college has no title deed for this land. In addition, no valuation reports for land, buildings and other assets were available for audit verification.

In the circumstances, the ownership and valuation of the property, plant and equipment balance of Kshs.54,858,927 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Gichugu 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 budgeted receipts and actual on comparable basis amounting to Kshs.24,016,150 and Kshs.23,024,039 respectively resulting in revenue under collection of Kshs.992,111 or 4% of the budget. Similarly, the College expended Kshs.16,353,646 against an approved budget of Kshs.20,399,250 resulting to an under expenditure of Kshs.4,045,604.00 or 20% of approved budget.

The under-funding and under-expenditure imply that some of the planned activities were not implemented which could impact negatively on the achievement of the overall goals and objectives of the College.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Information**

The Management is responsible for the Other Information set out on page iii to xxvii which comprise of Key Entity Information and Management, Management Team, Centre Information and Overall Performance, Statement of Performance against Centre's predetermined Objectives, Environmental and Sustainability Reporting and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

## **REPORT ON THE LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing 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

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Non-Adherence to Human Resource on Staff Establishment

Human resource records availed reflects total number of Public Service Commission posted trainers as six (6) and sixteen (16) Board of Governors Trainers totalling twenty-two (22) trainers. However, review of the authorized staff establishment for Gichugu Technical and Vocational College shows that the authorized establishment was a total of thirty-eight (38) staff members while the in-post number was 22. Therefore, the staff establishment indicates that the deficit between authorized establishment and in-post staff was sixteen (16) staff as at 30 June, 2025. Failure to comply with the approved staff establishment is a violation to service delivery and to the deserving trainees at Gichugu Technical and Vocational College.

#### 2. Violation of Ethnic Diversity on Staff

An audit review of the staff records data shows that the staff of Gichugu Technical and Vocational College did not have ethnic diversity of the tribes of Kenya occupying the various posts with one community having the highest numbers in the workforce as shown below:

| <b>PSC Trainers</b> |              |               |                   |
|---------------------|--------------|---------------|-------------------|
| <b>S/No.</b>        | <b>Tribe</b> | <b>Number</b> | <b>Percentage</b> |
| 1                   | Kikuyu       | 3             | 60                |
| 2                   | Meru         | 1             | 20                |
| 3                   | Embu         | 1             | 20                |
|                     | <b>Total</b> | <b>5</b>      | <b>100</b>        |

From the above, three (3) Public Service Commission Trainers or 60% are from the same ethnic group.

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

Those charged with governance are responsible for overseeing 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**

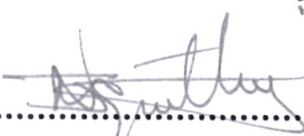
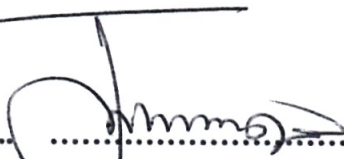

**01 December, 2025**

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

| Description                                       | Notes | 30-Jun-25         |
|---|-------|-------------------|
|   |       | Kshs              |
| <b>Revenue from Non-Exchange transactions</b>     |       |                   |
| Transfers from other National Government entities | 6     | 7,000,000         |
|   |       | <b>7,000,000</b>  |
| <b>Revenue from Exchange transactions</b>         |       |                   |
| Rendering of services- fees from students         | 7     | 23,262,794        |
| Miscellaneous income                              | 8     | 16,500            |
| <b>Revenue from Exchange transactions</b>         |       | <b>23,279,294</b> |
| <b>Total Revenue</b>                              |       | <b>30,279,294</b> |
| <b>Expenses</b>                                   |       |                   |
| Use of goods and services                         | 9     | 14,940,787        |
| Employee costs                                    | 10    | 2,709,782         |
| Board Expenses                                    | 11    | -                 |
| Depreciation and amortization expense             | 12    | 2,778,675         |
| Repairs and maintenance                           | 13    | 2,452,161         |
| <b>Total Expenses</b>                             |       | <b>22,881,405</b> |
| <b>Net surplus for the year</b>                   |       | <b>7,397,888</b>  |

(The notes set out on pages 7 to33 form an integral part of the Annual Financial Statements).

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

|   |   |   |
|---|---|---|
|  |  |  |
| .....   | .....   | .....   |
| <b>Chairman of Board</b>  | <b>Principal</b>  | <b>Finance Officer</b>  |
|   |   | <b>ICPAK No. 11435</b>  |
| <b>Date</b>   | <b>Date</b> 28/8/2025   | <b>Date</b>   |

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

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

| Description   | Notes | 30-Jun-25         |
|---|-------|-------------------|
|   |       | Kshs              |
| <b>Assets</b>   |       |                   |
| <b>Current Assets</b>                                     |       |                   |
| Cash and cash equivalents                                 | 14    | (42,852)          |
| Current portion of receivables from exchange transactions | 15    | 7,932,029         |
| <b>Total Current Assets</b>                               |       | <b>7,889,177</b>  |
| <b>Non-Current Assets</b>                                 |       |                   |
| Property, plant, and equipment                            | 16    | 54,858,927        |
| <b>Total Non-Current Assets</b>                           |       | <b>54,858,927</b> |
| <b>Total Assets (A)</b>                                   |       | <b>62,748,103</b> |
| <b>Liabilities</b>  |       |                   |
| <b>Current Liabilities</b>                                |       |                   |
| Trade and other payables from exchange transactions       | 17    | 3,760,638         |
| Refundable deposits from customers                        | 18    | 665,220           |
| <b>Total Current Liabilities</b>                          |       | <b>4,425,858</b>  |
| <b>Total Liabilities (B)</b>                              |       | <b>4,425,858</b>  |
| <b>Net Assets (A-B)</b>                                   |       | <b>58,322,245</b> |
| <b>Represented By:</b>                                    |       |                   |
| Revaluation Reserves                                      |       | 50,924,357        |
| Accumulated Surplus                                       |       | 7,397,888         |
| Capital Fund  |       | -                 |
| <b>Net Assets</b>   |       | <b>58,322,245</b> |

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



**Dr. Joseph Muguthu**  
**Chairman of Board**

Date



**Joseph Kimemia**  
**Principal**

Date 28/08/2025



**Paul Kimani**  
**Finance Officer**  
**ICPAK No. 11435**

Date

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

| Description                             | Capita Fund | Accumulated Fund | Total      |
|---|-------------|------------------|------------|
| At July 1, 2024                         | -           | -                |            |
| Revaluation gain                        | -           | -                | -          |
| Surplus/(deficit) for the year          | -           | 7,397,888        | 7,397,888  |
| Capital grants received during the year | 50,924,357  | -                | 50,924,357 |
| At June 30, 2025                        | 50,924,357  | 7,397,888        | 58,322,245 |

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

| Description  |      | 30-Jun-25          |
|--|------|--------------------|
|  | Note | Kshs               |
| <b>Cash flows from operating activities</b>                  |      |                    |
| <b>Receipts</b>  |      |                    |
| Transfers from other National Government entities            |      | 7,000,000          |
| Rendering of services- fees from students                    |      | 16,007,539         |
| Miscellaneous income   |      | 16,500             |
| <b>Total Receipts</b>  |      | <b>23,024,039</b>  |
| <b>Payments</b>  |      |                    |
| Use of goods and services                                    |      | 11,191,703         |
| Employee costs   |      | 2,709,782          |
| Board  |      | -                  |
| Repairs and maintenance                                      |      | 2,452,161          |
| <b>Total Payments</b>  |      | <b>16,353,646</b>  |
| <b>Net Cash Flows from operating activities</b>              | 18   | <b>6,670,393</b>   |
| <b>Cash flows from investing activities</b>                  |      |                    |
| Purchase of property, plant, equipment and intangible assets |      | (6,713,245)        |
| <b>Net cash flows used in investing activities</b>           |      | <b>(6,713,245)</b> |
| <b>Cash flows from financing activities</b>                  |      |                    |
| Proceeds From Borrowing                                      |      | -                  |
| Repayment Of Borrowings                                      |      | -                  |
| <b>Net cash flows used in financing activities</b>           |      | <b>-</b>           |
| <b>Net Increase/(Decrease) in Cash and Cash equivalents</b>  |      | <b>(42,852)</b>    |
| Cash and Cash equivalents at 1 JULY                          |      | -                  |
| <b>Cash and Cash equivalents at 30 JUNE</b>                  | 14   | <b>(42,852)</b>    |

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

| Description                                       | Original budget   | Adjustments | Final budget      | Actual on comparable basis | Performance difference | Utilization Difference |            |
|---|-------------------|-------------|-------------------|----------------------------|------------------------|------------------------|------------|
|   | Kshs              | Kshs        | Kshs              | Kshs                       | Kshs                   | %                      |            |
|   | a                 | b           | c=(a+b)           | d                          | e=(c-d)                | f=d/c*100              |            |
| <b>Receipts</b>                                   |                   |             |                   |                            |                        |                        |            |
| Transfers from other National Government entities | -                 | -           | -                 | 7,000,000                  | (7,000,000.00)         | -100%                  | (a)        |
| Rendering of services- fees from students         | 23,516,150        | -           | 23,516,150        | 16,007,539                 | 7,508,611.30           | 32%                    | (b)        |
| Miscellaneous Income                              | 500,000           | -           | 500,000           | 16,500                     | 483,500.00             | 97%                    | (c)        |
| <b>Total Receipts</b>                             | <b>24,016,150</b> | <b>-</b>    | <b>24,016,150</b> | <b>23,024,039</b>          | <b>992,111.30</b>      |                        |            |
| <b>Payments</b>                                   |                   |             |                   |                            |                        |                        |            |
| Use of goods and services                         | 15,576,950        | -           | 15,576,950        | 11,191,703                 | 4,385,247.00           | 28%                    | (d)        |
| Employee costs                                    | 3,791,550         | -           | 3,791,550         | 2,709,782                  | 1,081,768.00           | 29%                    | (e)        |
| Board Expenses                                    | -                 | -           | -                 | -                          | -                      |                        |            |
| Repairs and maintenance                           | 1,030,750         | -           | 1,030,750         | 2,452,161                  | (1,421,411.00)         | 138%                   | (f)        |
| <b>Total Expenditure Payments</b>                 | <b>20,399,250</b> | <b>-</b>    | <b>20,399,250</b> | <b>16,353,646</b>          | <b>4,045,604.00</b>    |                        |            |
| <b>Capital Expenditure Payments</b>               | <b>3,616,900</b>  | <b>-</b>    | <b>3,616,900</b>  | <b>6,713,245</b>           | <b>(3,096,344.50)</b>  | <b>85%</b>             | <b>(g)</b> |
| <b>Surplus</b>                                    | <b>-</b>          | <b>-</b>    | <b>-</b>          | <b>(42,852)</b>            |                        |                        |            |

**Budget notes**

(a) The variance was as a result of recurrent grants from the National Government which had not been omitted in the original budget.

- (b) The underfunding was a result of delayed disbursement of HELB funds and bursaries from NG-CDF.
- (c) The under performance was a result of low enrolment of trainees in computer courses than had been budgeted.
- (d) The variance was due to focus on priority expenditure due to cashflow challenges occasioned by late disbursement of funds.
- (e) The variance was due to focus on priority expenditure due to cashflow challenges occasioned by late disbursement of funds.
- (f) The over expenditure was occasioned by land scaping expenses which had been budgeted under administration expenses under use of goods and services.

**Budget Reconciliation**

| Description of Particulars  | Amount in Kshs |
|---|----------------|
| Actual Surplus Amounts as per the statement of Budget               | (42,852)       |
| Timing differences  | -              |
| Closing Cash and Cash Equivalent as per the statement of Cash flows | (42,852)       |

**19. Notes to the Financial Statements**

**1. General Information**

Gichugu TVC is established by and derives its authority and accountability from the TVET Act 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is provision of technical and vocational training.

**2. Statement of Compliance and Basis of Preparation**

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

### 3. Adoption of New and Revised Standards

*i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

There are no new and amended standards issued in the financial year.

*ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.*

| Standard  | Effective date and impact:  |
|---|---|
| IPSAS 43:<br>Leases   | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an College.<br>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.   |
| IPSAS 44:<br>Non- Current Assets<br>Held for Sale and<br>Discontinued<br>Operations | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br>The Standard requires,<br>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:<br>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.  |
| IPSAS 45: Property<br>Plant and<br>Equipment  | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. |
| IPSAS 46:<br>Measurement  | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br>The objective of this standard was to improve measurement guidance across IPSAS by:<br>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.   |

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

**iii. Early adoption of standards**

Gichugu TVC did not early – adopt any new or amended standards in the financial year 2024-2025.

**b) Budget information**

The original budget for FY 2024/2025 was approved by the Board on *9<sup>th</sup> December 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the College upon receiving the respective approvals to conclude the final budget. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

**c) Taxes**

***Current income tax***

The College is exempt from paying taxes as per schedule *1* of the *Income Tax Act*.

***Sales tax/ Value Added Tax***

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

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

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

**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

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

**g) Intangible assets**

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

**h) Biological Assets**

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

**i) Research and development costs**

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

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

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

**j) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

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

### ***Financial assets***

#### ***Classification***

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

#### **Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and

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

#### **Fair value through surplus or deficit**

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

#### **Trade and other receivables**

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

#### **Impairment**

The College assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The College did not recognize any loss allowance as on 30<sup>th</sup> June 2025.

#### ***Financial liabilities***

##### ***Classification***

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

#### **k) Inventories**

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

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

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

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

### **Inventories (Continued)**

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

#### **l) Provisions**

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

#### ***Contingent liabilities***

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

#### ***Contingent assets***

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

#### **m) Social Benefits**

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

**n) Nature and purpose of reserves**

The College creates and maintains reserves in terms of specific requirements. (College to state the reserves maintained and appropriate policies adopted).

**o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

**Retirement benefit plans**

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

**q) Foreign currency transactions**

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

**r) Borrowing costs**

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

**s) Related parties**

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

**t) Service concession arrangements**

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

**u) Cash and cash equivalents**

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

**v) Comparative figures**

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

**w) Subsequent events**

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

## **5. Significant Judgments and Sources of Estimation Uncertainty**

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

### **Estimates and assumptions.**

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

### **Useful lives and residual values**

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

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

### **Provisions**

Provisions were raised and management determined an estimate based on the information available. There were no provisions made for the year ended 30 June 2025.

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

**6. Transfers from other National Government entities**

| Description                                  | 30-Jun-25        |
|--|------------------|
|  | Kshs             |
| <b>Unconditional Grants</b>                  |                  |
| Operational Grant                            | 7,000,000        |
| <b>Total unconditional Grants</b>            | <b>7,000,000</b> |
|  |                  |
| <b>Total Government Grants and Subsidies</b> | <b>7,000,000</b> |

**(a) Transfers from other Government entities (Categorized)**

| Name of the Entity Sending The Grant | Amount recognized to Statement of Financial performance * | Amount deferred under deferred income | Amount recognised in capital fund. | Total grant income during the year | Comparative FY |
|--------------------------------------|---|---------------------------------------|------------------------------------|------------------------------------|----------------|
|                                      | Kshs  | Kshs                                  | Kshs                               | Kshs                               | Kshs           |
| State Department of TVETA            | 7,000,000   | -                                     | -                                  | 7,000,000                          | -              |
| <b>Total</b>                         | 7,000,000   | -                                     | -                                  | 7,000,000                          | -              |

**7. Rendering of Services**

| Description   | 30-Jun-25         |
|---|-------------------|
|   | Kshs              |
| Tuition   | 12,012,141        |
| PE  | 4,222,166         |
| LT&T  | 1,294,614         |
| RMI   | 1,067,425         |
| EWC   | 1,294,614         |
| Activity  | 1,480,168         |
| Industrial attachment, medical and Insurance        | 655,667           |
| Student welfare                                     | 463,500           |
| registration  | 257,500           |
| Student ID  | 257,500           |
| TVETA fee   | 257,500           |
| <b>Total Revenue from The Rendering of Services</b> | <b>23,262,794</b> |

This relates to revenue receivables of Kshs 67,189 accrued at the end of the year

**8. Miscellaneous Income**

| Description               | 30-Jun-24     |
|---------------------------|---------------|
|                           | Kshs          |
| Computer packages         | 16,500        |
| <b>Total other income</b> | <b>16,500</b> |

9. Use of Goods and Services

| Description                    | 30-Jun-25         |
|--------------------------------|-------------------|
|                                | Kshs              |
| Activity                       | 2,104,773         |
| Administrative Expenses        | 4,780,028         |
| Electricity Water & Con'       | 303,574           |
| Local Travel & Transport       | 2,242,950         |
| School Equipment & Stores      | 1,312,060         |
| Teaching Materials             | 3,858,104         |
| Students Welfare               | 94,110            |
| Students Identity Cards        | 98,380            |
| ICT Integration                | 38,000            |
| Industrial Attchment           | 46,547            |
| Bank charges                   | 24,482            |
| Medical expenses               | 37,779            |
| <b>Total good and services</b> | <b>14,940,787</b> |

10. Employee Costs

| Description           | 30-Jun-25        |
|-----------------------|------------------|
|                       | Kshs             |
| Salaries and wages    | 2,709,782        |
| <b>Employee Costs</b> | <b>2,709,782</b> |

11. Board Expenses

| Description    | 30-Jun-25 |
|----------------|-----------|
|                | Kshs      |
| Board Expenses | -         |
| <b>Total</b>   | <b>-</b>  |

12. Depreciation and Amortization expense

| Description                        | 30-Jun-25        |
|------------------------------------|------------------|
|                                    | Kshs             |
| Depreciation                       | 2,778,675        |
| <b>Total depreciation expenses</b> | <b>2,778,675</b> |

**13. Repairs and Maintenance**

| Description                          | 30-Jun-25        |
|--------------------------------------|------------------|
|                                      | Kshs             |
| Property                             | 2,452,161        |
| Equipment and machinery              | -                |
| Motor Vehicles                       | -                |
| Furniture and fittings               | -                |
| Computers and accessories            | -                |
| <b>Total Repairs and Maintenance</b> | <b>2,452,161</b> |

**14. Cash and Cash Equivalents**

| Description                            | 30-Jun-25       |
|--|-----------------|
|  | Kshs            |
| Current Account                        | (42,852)        |
| <b>Total Cash and Cash Equivalents</b> | <b>(42,852)</b> |

**14 (a). Detailed Analysis of Cash and Cash equivalents**

| Financial Institution     | Account number | 30-Jun-25       |
|---------------------------|----------------|-----------------|
|                           |                | Kshs            |
| <b>a) Current Account</b> |                |                 |
| Equity Bank               | 1720285642053  | 120,222         |
| Family Bank               | 20000012173    | (163,074)       |
| <b>Sub- Total</b>         |                | <b>(42,852)</b> |
| <b>b) Cash</b>            |                |                 |
| Cash in Hand              |                | -               |
| <b>Sub- Total</b>         |                | <b>-</b>        |
| <b>Grand Total</b>        |                | <b>(42,852)</b> |

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

| Description                      | 30-Jun-25        |
|----------------------------------|------------------|
|                                  | Kshs             |
| <b>Current Receivables</b>       |                  |
| Student Debtors                  | 7,932,029        |
| Provision for bad debts          | -                |
| <b>Total Current Receivables</b> | <b>7,932,029</b> |

15 (b) Ageing Analysis of Receivables from Exchange transactions

| Description        | 30-Jun-25        |                |
|--------------------|------------------|----------------|
|                    | Kshs             |                |
|                    | 30-Jun-25        | % of the total |
| Less than 1 year   | 7,932,029        | %              |
| <b>Total (a+b)</b> | <b>7,932,029</b> | <b>%</b>       |

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**16. Property, Plant and Equipment**

| Cost                                | Buildings         | Furniture and fittings | Computers      | Plant and equipment | WIP              | Total             |
|-------------------------------------|-------------------|------------------------|----------------|---------------------|------------------|-------------------|
|                                     | Kshs              | Kshs                   | Kshs           | Kshs                | Kshs             | Kshs              |
|                                     | 5%                | 12.50%                 | 30%            | 12.50%              | 0                |                   |
| <b>At 31 July,2024</b>              | -                 | -                      | -              | -                   | -                | -                 |
| Additions                           | 50,924,357        | 407,080                | 269,700        | 805,300             | 5,231,165        | 57,637,602        |
| Disposals                           | -                 | -                      | -              | -                   | -                | -                 |
| Transfer/Adjustments                | -                 | -                      | -              | -                   | -                | -                 |
| <b>At 30<sup>th</sup> June 2025</b> | 50,924,357        | 407,080                | 269,700        | 805,300             | 5,231,165        | 57,637,602        |
|                                     | -                 | -                      | -              | -                   | -                | -                 |
| <b>Depreciation And Impairment</b>  |                   |                        |                |                     |                  |                   |
| <b>At 1 July 2024</b>               | -                 | -                      | -              | -                   | -                | -                 |
| Depreciation                        | 2,546,218         | 50,885                 | 80,910         | 100,663             | -                | 2,778,675         |
| <b>At 30<sup>th</sup> Jun 2025</b>  | <b>2,546,218</b>  | <b>50,885</b>          | <b>80,910</b>  | <b>100,663</b>      | -                | <b>2,778,675</b>  |
| <b>Net Book Values</b>              |                   |                        |                |                     |                  |                   |
| <b>At 30<sup>th</sup> Jun 2024</b>  | -                 | -                      | -              | -                   | -                | -                 |
| <b>At 30<sup>th</sup> Jun 2025</b>  | <b>48,378,139</b> | <b>356,195</b>         | <b>188,790</b> | <b>704,638</b>      | <b>5,231,165</b> | <b>54,858,927</b> |

*Work in progress relates to construction of Food and beverage workshop*

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**Notes to the Financial Statements (Continued)**

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets have not been revalued.

**16 (b) Property, Plant and Equipment at Cost**

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

| Description                               | Accumulated Depreciation | Accumulated depreciation | NBV        |
|---|--------------------------|--------------------------|------------|
|   | Kshs                     | Kshs                     | Kshs       |
| WIP                                       | 5,231,165                | -                        | 5,231,165  |
| Buildings                                 | 48,378,139               | 2,546,218                | 45,831,921 |
| Plant And Machinery                       | 704,638                  | 100,663                  | 603,975    |
| Computers and Related Equipment           | 188,790                  | 80,910                   | 107,880    |
| Office Equipment, Furniture, And Fittings | 356,195                  | 50,885                   | 305,310    |

**17. Trade and Other Payables**

| Description                           | 30-Jun-25         |                       |
|---------------------------------------|-------------------|-----------------------|
|                                       | Kshs              |                       |
| Trade payables                        | 3,760,638         |                       |
| TOTALS                                | 3,760,638         |                       |
| <b>Ageing analysis:</b>               |                   | <b>% of the Total</b> |
| Under one year                        | <b>13,555,969</b> | 100%                  |
| 1-2 years                             | -                 | 0%                    |
| 2-3 years                             | -                 | 0%                    |
| Over 3 years                          | -                 | 0%                    |
| <b>Total (to tie to totals above)</b> | <b>13,555,969</b> | <b>100%</b>           |

**18. Refundable Deposits from Customers/Students**

| Description                                    | 30-Jun-25        |                       |
|--|------------------|-----------------------|
|  | Kshs             |                       |
| Retention monies                               | 150,220          |                       |
| Caution money                                  | 515,000          |                       |
| <b>Total Deposits</b>                          | <b>665,220</b>   |                       |
|  |                  |                       |
| <b>Ageing analysis:</b>                        | <b>30-Jun-23</b> | <b>% of the Total</b> |
| Under one year                                 | 665,220          | 100%                  |
| 1-2 years                                      | -                | 0%                    |
| 2-3 years                                      | -                | 0%                    |
| Over 3 years                                   | -                | 0%                    |
| <b>Total (to tie to totals deposits above)</b> | <b>665,220</b>   | <b>100%</b>           |

**19. Employee Benefit Obligations**

The College contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The College's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 6%. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**20. Cash generated from operations.**

| Surplus for the year before tax                | 30-Jun-25        |  |
|--|------------------|--|
|  | Kshs             |  |
| Surplus for the year before tax                | 7,397,888        |  |
| <b>Adjusted for</b>                            |                  |  |
| Depreciation                                   | 2,778,675        |  |
| <b>Working Capital Adjustments</b>             |                  |  |
| Increase in Receivables                        | (7,932,029)      |  |
| Increase in Payables                           | 3,760,638        |  |
| Increase in refundable deposits                | 665,220          |  |
| <b>Net Cash Flow from Operating Activities</b> | <b>6,670,393</b> |  |

## 21. Financial Risk Management

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

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

### (i) Credit risk

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

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

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

| Description                            | Total amount     | Fully performing   | Past due | Impaired |
|--|------------------|--------------------|----------|----------|
|  | Kshs             | Kshs               | Kshs     | Kshs     |
| <b>At 30 June 2025</b>                 |                  |                    |          |          |
| Receivables from exchange transactions | 7,932,029        | 7,932,029          | -        | -        |
| Bank balances                          | (42,852)         | (42,852)           | -        | -        |
| <b>Total</b>                           | <b>7,889,177</b> | <b>472,362,942</b> | -        | -        |

### Financial risk management (continued)

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

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

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

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**(ii) Liquidity risk management**

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

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

| Description                   | Less than 1 month | Between 1-3 months | Over 5 months | Total    |
|-------------------------------|-------------------|--------------------|---------------|----------|
|                               | Kshs              | Kshs               | Kshs          | Kshs     |
| <b>At 30 June 2024</b>        |                   |                    |               |          |
| Trade Payables                | 0                 | 0                  | 0             | 0        |
| Current Portion Of Borrowings | 0                 | 0                  | 0             | 0        |
| Provisions                    | 0                 | 0                  | 0             | 0        |
| Deferred Income               | 0                 | 0                  | 0             | 0        |
| <b>Total</b>                  | <b>0</b>          | <b>0</b>           | <b>0</b>      | <b>0</b> |
| <b>At 30 June 2025</b>        |                   |                    |               |          |
| Trade Payables                | 3,760,638         | 0                  | 0             | 0        |
| Refundable deposits           | 665,220           | 0                  | 0             | 0        |
| Provisions                    | 0                 | 0                  | 0             | 0        |
| Deferred Income               | 0                 | 0                  | 0             | 0        |
| <b>Total</b>                  | <b>4,425,858</b>  | <b>-</b>           | <b>-</b>      | <b>-</b> |

**(iii) Market risk**

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

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

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

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

**iv) Capital Risk Management**

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

| <b>Description</b>                          | <b>30-Jun-25</b>  |
|---|-------------------|
| Accumulated funds                           | 7,397,888         |
| Capital fund                                | 50,924,357        |
| <b>Total Funds</b>                          | <b>58,322,245</b> |
| Total Borrowings                            | -                 |
| Less: Cash and Bank Balances                | -                 |
| Net Debt/(Excess Cash and Cash Equivalents) | -                 |
| <b>Gearing</b>                              | <b>0%</b>         |

## 22. Related Party Balances

### Nature of related party relationships

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

### Government of Kenya

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

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

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

| Description  | Insert Current<br>FY | Insert<br>Comparative<br>FY |
|--|----------------------|-----------------------------|
|  | Kshs                 | Kshs                        |
| <b>Transactions with Related Parties</b>                 |                      |                             |
| <b>a) Sales to related parties</b>                       |                      |                             |
| Sales of electricity to govt agencies                    | -                    | -                           |
| Rent income from govt. agencies                          | -                    | -                           |
| Water sales to govt. agencies                            | -                    | -                           |
| Others ( <i>specify</i> )                                | -                    | -                           |
| <b>Total</b>   | -                    | -                           |
| <b>B) Purchases from related parties</b>                 |                      |                             |
| Purchases of electricity from kplc                       | 303,574              | -                           |
| Purchase of water from govt service providers            | -                    | -                           |
| Rent expenses paid to govt agencies                      | -                    | -                           |
| Training and conference fees paid to govt. agencies      | -                    | -                           |
| Others ( <i>specify</i> )                                | -                    | -                           |
| <b>Total</b>   | <b>303,574</b>       | -                           |
| <b>b) Grants /Transfers from the Government</b>          |                      |                             |
| Grants from National Govt                                | xxx                  | xxx                         |
| Grants from County Government                            | xxx                  | xxx                         |
| Donations in Kind  | xxx                  | xxx                         |
| <b>Total</b>   | <b>xxx</b>           | <b>xxx</b>                  |
| <b>c) Expenses incurred on behalf of related parties</b> |                      |                             |
| Payments of Salaries and Wages for xx Employees          | xxx                  | xxx                         |

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| Description                            | Insert Current<br>FY | Insert<br>Comparative<br>FY |
|--|----------------------|-----------------------------|
|  | Kshs                 | Kshs                        |
| Payments for Goods and Services for XX | xxx                  | xxx                         |
| <b>Total</b>                           |                      |                             |
| <b>d) Key Management Compensation</b>  |                      |                             |
| Directors' emoluments                  | xxx                  | xxx                         |
| Compensation to Key Management         | xxx                  | xxx                         |
| <b>Total</b>                           | <b>xxx</b>           | <b>xxx</b>                  |

**23. Segment Information**

The College does not have any segment.

**24. Events After The Reporting Period**

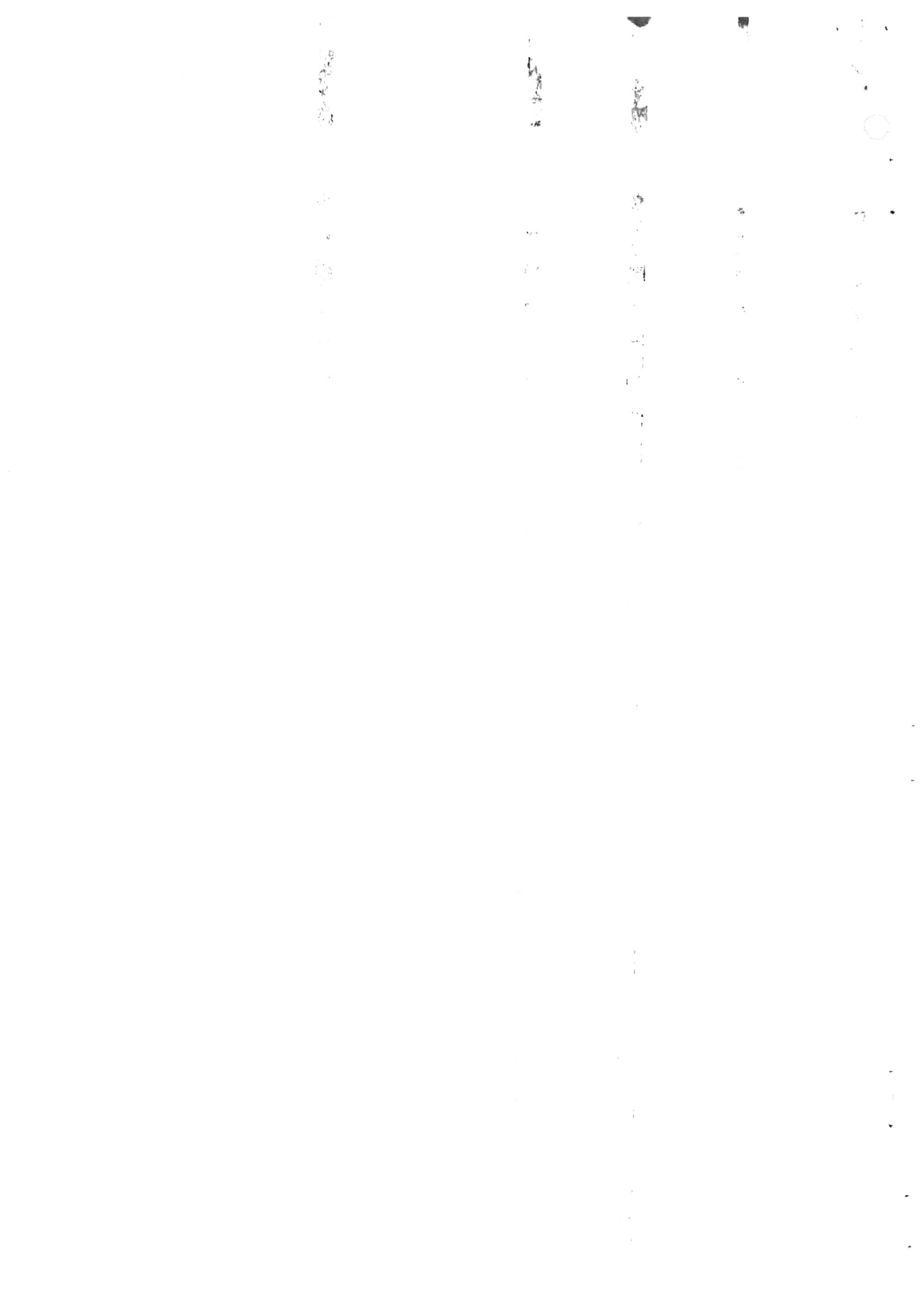
There were no material adjusting and non-adjusting events after the reporting period.

**25. Ultimate And Holding College**

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

**26. Currency**

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



**20. Appendices**

**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status:<br><i>(Resolved / Not Resolved)</i> | Timeframe:<br><i>(Put a date when you expect the issue to be resolved)</i> |
|--|-----------------------------------|---------------------|---|--|
|  |                                   |                     |   |  |
|  |                                   |                     |   |  |

**Being the first year of operation, the College had not been audited before.**

.....

**Name**  
**Accounting Officer**  
**(Enter title of Head of entity)**  
**Date**

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**Appendix II: Projects Implemented by Gichugu Technical and Vocational College.**

**Projects**

**Status of Projects completion**

|   | <b>Project</b>                                     | <b>Total project Cost</b> | <b>Total expended to date</b> | <b>Completion % to date</b> | <b>Budget</b> | <b>Actual</b> | <b>Sources of funds</b> |
|---|--|---------------------------|-------------------------------|-----------------------------|---------------|---------------|-------------------------|
| 1 | principal's office tiling and reception desk works | 395,030                   | 355,527                       | 100%                        | 170,000       | 355,527       | GOK Recurrent grant     |
| 2 | Construction of catering unit block                | 3,085,816                 | 2,283,133                     | 74%                         | 3,085,816     | 3,085,816     | GOK Recurrent grant     |
| 3 |  |                           |                               |                             |               |               |                         |

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**Appendix III- Inter-Entity Confirmation Letter**

Name of transferring entity.....GOK.....

Name of beneficiary entity.....GICHUGU TVC.....

**Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30<sup>th</sup> June (Current FY)**

| Reference Number | Date Disbursed | Recurrent (A)  | Development (B) | Total (C)=(A+B) | Remarks |
|------------------|----------------|----------------|-----------------|-----------------|---------|
| Receipt No. 730  | 02/10/2025     | 500000         | 0               | 500000          |         |
| Receipt No.731   | 21/01/2025     | 500000         | 0               | 500000          |         |
| Receipt No.1332  | 04/06/2025     | 500000         | 0               | 500000          |         |
| Receipt No.1333  | 17/06/2025     | 500000         | 0               | 500000          |         |
| Receipt No.1335  | 20/06/2025     | 5000000        | 0               | 5000000         |         |
| <b>Total</b>     |                | <b>7000000</b> |                 | <b>7000000</b>  |         |

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

**Head of Accounts Department - Disbursing Entity:**

Name ..... Sign ..... Date .....

**Head of Accounts Department - Beneficiary Entity:**

Name Joseph R. Mwangi Sign [Signature] Date 25/08/2025

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**Appendix IV: Reporting of Climate Relevant Expenditures**

| Project Name | Project Description | Project Objectives | Project Activities |    |    |    |    | Source Of Funds | Implementing Partners |
|--------------|---------------------|--------------------|--------------------|----|----|----|----|-----------------|-----------------------|
|              |                     |                    |                    | Q1 | Q2 | Q3 | Q4 |                 |                       |
|              |                     |                    |                    |    |    |    |    |                 |                       |
|              |                     |                    |                    |    |    |    |    |                 |                       |
|              |                     |                    |                    |    |    |    |    |                 |                       |
|              |                     |                    |                    |    |    |    |    |                 |                       |
|              |                     |                    |                    |    |    |    |    |                 |                       |

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**Appendix V: Reporting on Disaster Management Expenditure**

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