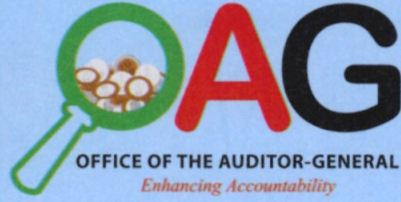


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

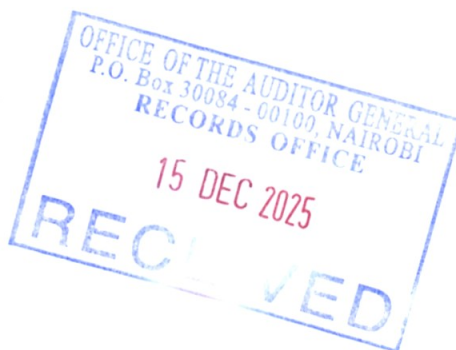
THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 01 APR 2026 DAY: WEDNESDAY
TABLED BY: HON. DR. ROBERT PUKOSE, MP
CLERK-AT-THE-TABLE: CHRISTINE NBIRITU

THE AUDITOR-GENERAL

ON

MATHENGE TECHNICAL TRAINING INSTITUTE

FOR THE YEAR ENDED 30 JUNE, 2025



MATHENGE TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Table of Contents.....	i
1 Acronyms & Glossary of Terms.....	ii
2 Key information and management of Mathenge Technical Training Institute.....	iii
3 Board of Governors	vi
4 Management Team	viii
5 Chairman’s statement	x
6 Report of The Principal.....	xii
7 Statement of Performance Against Predetermined Objective	xv
8 Corporate Governance Statement	xviii
9 Management Discussion and Analysis	xx
10 Environmental and Sustainability Reporting Statement	xxv
11 Report of the Board of Governors.....	xxviii
12 Statement of Board of Governors’ Responsibilities.....	xxix
13 Report of the auditor general on Mathenge Technical Training Institute Annual Financial Statements for the Year Ended 30 th June 2025.....	xxx
14 Statement of Financial Performance for the Year Ended 30 th June 2025	1
15 Statement of Financial Position as at 30 th June 2025	2
16 Statement of Changes in Net Assets for the Year ended 30 June 2025	3
17 Statement of Cash Flows for the year Ended 30 June 2025.....	4
18 Statement of Comparison of Budget and Actual amounts for the Year Ended 30 June 2025	5
19 Notes to the Financial Statements.....	6
Appendix I: Progress on Follow-up of Prior Year Audit Issues	29
Appendix III – Bank Reconciliation	32
Appendix IV – Bank Reconciliation.....	34
Appendix V - Certificate of Bank Balances.....	35
Appendix VI – Surrender of Imprests.....	37
Appendix VII – Board of Cash Survey	38

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

1 Acronyms & Glossary of 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
MTTI	Mathenge Technical Training Institute
KNEC	Kenya National Examination Council
TSC	Teachers Service Commission
KIE	Kenya Institute of Education
KASNEB	Kenya Accountants and Secretaries National Examination Board
Fiduciary Management	Key management personnel who have financial responsibility in the entity

B: Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organization.

Comparative Year- Means the prior period.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

2 Key information and management of Mathenge Technical Training Institute

(a) Background information

Mathenge Technical Training Institute (MTTI) is established by and derives its authority and accountability from PFM 2012 Act, the State Corporations Act and the TVET 2013 Act. MTTI is wholly owned by the Government of Kenya and is domiciled in Kenya. MTTI is established under the Ministry of Education via certificate number **TVETA/PUBLIC/TVC/0046/2016**.

MTTI's principal activity is to provide quality Training in Technical, Industrial, Vocational and Entrepreneurship. The mandate of MTTI is through registration, Ministry of Education under the Education Act Cap 211(1st schedule). It is also guided through its operations by other Acts of Parliament like KNEC Act, PSC Act, KASNEB Act and others.

MTTI was incorporated as a Legal entity on 6th April, 1984 under the Companies Act (Cap 486 Laws of Kenya) as a Company limited by Guarantee and without share capital. MTTI was officially opened on 25th November, 1984. Since inception MTTI has experienced progressive growth from a Youth Polytechnic to a Harambee Institute of Science and Technology and later upgraded to a Technical Training Institute in the year 2010.

MTTI achieved ISO 9001:2008 International Standards of Excellence Certification from Kenya Bureau of Standards on 17th July 2011 and successfully transitioned to the revised ISO 9001:2015 Re-certification in September 2018. MTTI also acquired ISO 27001- 2013 ISMS on 11th March 2024.

Our Vision

To be a Centre of Excellence in Scientific, Technological Training and Innovations

Our Mission

To produce competent graduates capable of integrating the acquired scientific and technological skills in innovative nation building

Our Values

- Integrity
- Accountability
- Team Work
- Transparency
- Equity
- Professionalism

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

(b) Principal Activities

MTTI is under the Ministry of Education in The State Department of Technical, Vocational Education and Training and has the mandate to provide quality technical, vocational and entrepreneurship training for effective and sustainable nation building.

(c) Management Structure

MTTI is managed by the Board of Governors, appointed by The Cabinet Secretary in charge of Education. The B.O.G. provides leadership in; policy direction and ensures that MTTI's programmes and activities are in line with its mandate and set objectives. The principal is the secretary to the Board and executes all policies in line with MTTI's core mandate. The principal is assisted by two deputy principals, Deputy Principal Administration who is in charge of day-to-day activities and also in charge of both Teaching and Non-Teaching staff. Deputy Principal Academics is in charge of academic's affairs and implementation of the curriculum. The heads of departments report to the deputy principals.

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

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

(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:

No.	Designation	Name
1.	Principal	Catherine Wangechi King'ori, Hsc
2.	D /Principal – Administration	John Njeru Njagi
3.	D / Principal – Academics	Elizabeth Wangechi Mwangi
4.	Registrar	Grace Waithira Githinji
5.	Dean of Students	Selina Wanyonyi
6.	Head of Finance	Charles Macharia Mbogo
7.	Head of Procurement	Naomi Wangari King'ori

(e) Fiduciary Oversight Arrangements

Name of the Committee	Members
Risk, Audit and Compliance Committee	1. Ms. Deborah Muli – Chairperson 2. Mr. John Gitonga Ndirangu 3. Ms. Faith Jebiwot
Technical and Academic committee	1. Dr. Joseph Muguthu – Chairman 2. Mr. Charles Nyota 3. Ms. Faith Jebiwot
Finance and Human Resource Committee	1. CPA. Isaac Kiragu –Chairman 2. Dr. Joseph Muguthu 3. Ms. Annah Fridah Karani

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

(f) MTTI Headquarters

P.O. Box 665 – 10106
Next to Gaturuturu Tea Centre
Kagere –Mahiga - Ndunyu
Othaya

(g) MTTI Contacts

Telephone: / (254) 725737174
E-mail: info@mathengetti.ac.ke
Website: www.mathengetti.ac.ke

(h) MTTI Bankers

Kenya Commercial Bank
Othaya Branch
P.O Box
Othaya

(i) Independent Auditors

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

(j) Principal Legal Adviser



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

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

3 Board of Governors





 <p>Prof. Hinga Peterson Kinyua Chairman</p>	<p>Date of Birth: 1953</p> <p>Qualifications: PhD –Electrical Engineering from Jomo Kenyatta University of Agriculture and Technology jointly with the University of Tokushima, Japan.</p> <p>Work Experience: 50 years</p>
 <p>Mr. John Gitonga Ndirangu Member</p>	<p>Date of Birth: 1959</p> <p>Qualifications: Master of Business Administration in Strategic Management from Kenya Methodist University.</p> <p>Work Experience: He has 33 years' in Technical Education both as a trainer and administrator</p>
 <p>CPA. Isaac Mwangi Kiragu Member</p>	<p>Date of Birth: 1964</p> <p>Qualifications: Masters of Business Administration from University of Nairobi. Certified fraud examiner, CPA</p> <p>Work Experience: He has 34 years' experience</p>



 <p>Ms. Ann Fridah Karani Member</p>	<p>Date of Birth: 1960</p> <p>Qualifications: MBA Strategic Management from Kenya Methodist University.</p> <p>Work experience: 40 years</p>
 <p>Mrs. Catherine W King'ori, Hsc Principal/BOG Secretary</p>	<p>Date of Birth: 1973</p> <p>Qualifications: Bed – Arts from Kenyatta University.</p> <p>Work Experience: 27 Years as Trainer, Dean of Students, Registrar, Deputy Principal and Principal at Tetu TVC and currently Principal at MTTI.</p>
 <p>Dr. Joseph Njuguna Muguthu Member</p>	<p>Date of Birth: 1972</p> <p>Qualifications: PhD in Mechanical Manufacture and Automation from Harbin Institute of Technology, China</p> <p>Work Experience: 27 years</p>
 <p>Ms. Deborah Mbula Muli Member</p>	<p>Date of Birth: 1991</p> <p>Qualifications: M.Sc. Information Technology from Taita University.</p> <p>Work experience: She has 9 years' work experience Lecturer</p>

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

4 Management Team

Name of the Staff	Responsibility
 <p>Mrs. Catherine W King'ori Principal/BOG Secretary</p>	<p>Mrs. Catherine W King'ori is in charge of day to day running of MTTI. She is the Chief Executive Officer who reports to all stakeholders. She is also the mandatory signatory to all MTTIs bank accounts and Secretary to BOG. Qualifications: B. ED Arts from Kenyatta University. Work Experience: 27 years.</p>
 <p>John N. Njagi Deputy Principal- Admin</p>	<p>Mr. John N. Njagi deputizes the principal and he is in charge of administration. He attends Board meetings and takes minutes as in-attendance member. He assists the principal on administrative issues from heads of Departments, Maintenance, Transport management and signatory to Institutes Bank Accounts. Qualifications: Bachelor of Science in Mechanical Engineering from Dedan Kimathi University of Technology. Work Experience: 33 years</p>
 <p>Elizabeth Mwangi Deputy Principal Academics</p>	<p>Ms Elizabeth W. Mwangi deputizes the principal and she is in charge of Academics. Ensures academic time tables are made in time. Also ensures that the lessons that appear on the timetable are adequately taught. She receives from Heads of Departments reports on academic matters. She is also signatory to Institutes bank accounts. Qualifications: Bachelor of Science in Hospitality and Tourism Management from Kenyatta University. Work Experience: 30 years</p>
 <p>Grace W. Githinji Registrar</p>	<p>Ms. Grace Waithira Githinji ensures that term programmes, students who apply for courses in MTTI meet the relevant requirements for admission. Her office collaborates with Marketing Department in marketing institute courses to ensure increase in enrolment. Qualifications: Bachelor of Education (Home science and Technology) from Moi University. Work Experience: She has 29 years' work experience.</p>

 <p>Selina Wanyonyi Dean of Students</p>	<p>M/s Selina Wanyonyi is the Dean of Students and is in charge of student affairs i.e., process boarding issues accommodation and disciplinary.</p> <p>She is also in charge of assisting students who apply for HELB loans and other bursary to support payment fees.</p> <p>Qualifications: Bachelor of Science (Textile Science and Design) from Kenyatta University.</p> <p>Work experience: 19 years.</p>
 <p>Charles. M. Mbogo Head of Finance</p>	<p>Mr. Charles Macharia is the Head of Finance and associated functions.</p> <p>Ensures effective systems and procedures for financial planning and budgeting are developed and maintained.</p> <p>Preparing the quarterly and Final Financial Statements ready for external audit.</p> <p>Monitoring and controlling expenditure and ensuring institute comply with relevant statutory obligations.</p> <p>Qualifications: Bachelor of Commerce (Accounting) from KCA University and ICPAK Full Member.</p> <p>Work experience: 15 years</p>
 <p>Naomi W. Mugo Head of Procurement</p>	<p>Mrs. Naomi W. Mugo is the Head of Procurement.</p> <p>She is in charge of carrying out market surveys for purpose of tendering/ Quotation, preparation of LPO's / LSO's</p> <p>Checking and verification of supplies delivered,</p> <p>Managing inventories</p> <p>Receiving and processing requisition from departments,</p> <p>Carry out the purchase functions for approval of orders and enforcing internal controls of materials in store.</p> <p>Qualifications: Master of Science in Procurement and Logistics from Jomo Kenyatta University of Agriculture and Technology.</p> <p>Work experience: 10 years</p>

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

5 Chairman's statement

To Stakeholders of MTTI,

It is my pleasure to present this report on behalf of the Board of MTTI for the fiscal year ending 30th June 2025. This year has been marked by significant achievements, notwithstanding some challenges, and I am proud of the collective efforts that have driven our institution forward.

Collaborations and linkages

Collaboration with partners has facilitated increased growth and capital donations for training purposes. Through these connections, many students have been able to participate in attachment programs organized in partnership with these organizations.

These initiatives have contributed to elevating the quality of training and expanding our outreach.

Other success stories of the year include the development of the Engineering Hub, which was outfitted with computers and furniture.

Key Projects

Project	Budget	Amount paid	Status
Construction of tuition block	37,000,000	0	51%
Engineering Hub	4,000,000	3,954,000	100%

Strengths of MTTI

Our key strengths include a dedicated and skilled management team, a committed faculty, and strong industry linkages that facilitate practical training and employment opportunities for our students. Additionally, our strategic location and state-of-the-art facilities position us favorably in the technical education sector.

Challenges Faced

Despite these successes, we faced notable difficulties in meeting our financial targets and strategic objectives. The most significant challenge has been the non-remittance of government funds, which has impacted our ability to fully implement planned projects and maintain operational efficiency. This financial gap has necessitated adjustments to our strategic plans and has constrained some of our expansion initiatives.

Another major challenge is the decline in enrollment, which was attributed to the tough economic conditions in the country.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Future Plans

Looking ahead, we are committed to strengthening our financial sustainability through diversifying our funding sources, including exploring private partnerships and grants. We also plan to enhance our curriculum to better match industry demands, expand our facilities, and improve student support services. Additionally, we will expand on our other income generating units to ensure the full realization of our strategic goals.

Acknowledgements

I wish to extend my sincere gratitude to the management team, whose dedication and professionalism have been instrumental in navigating this challenging year. I also thank all board members for their unwavering commitment and valuable contributions toward fulfilling our mandate. Your collective efforts have kept MTTI on a steady path of growth and development.

In conclusion, while we acknowledge the hurdles faced, I remain optimistic about the future of MTTI. With continued collaboration and strategic focus, I am confident we will achieve our vision of becoming a leading center of technical and vocational excellence in Kenya.

Thank you.



Prof: Peterson K. Hinga
CHAIRMAN, BOARD OF GOVERNORS
22 August 2025

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

6 Report of The Principal

Dear Stakeholders,

It is with great pride and a sense of achievement that I present this year's report on the progress and performance of Mathenge Technical Training Institute (MTTI). The past year has been trans-formative, marked by notable successes, strategic initiatives, and some challenges that have shaped our path forward.

Key Successes

i. Partnerships and Linkages

MTTI is one of five Technical Training Institutes that benefited from the dual training model in TVET, a program spearheaded by FinChurchAid in collaboration with GIZ. The Institute's Industry Liaison personnel and the principal traveled to Finland for bench-marking with Tampere Vocational College, focusing on the management of Vocational Education and Training.

ii. Modularization of CBET Curriculum

MTTI deployed 12 of its trainers to represent the institute in the modularization process of 188 CBET curricula which was held at Nyeri National Polytechnic.

iii. Academic Performance and Participation:

Our students' academic performance has improved markedly, with an increased pass rate of 85%, up from 78% last year. Additionally, participation in co-curricular activities has surged, fostering holistic development. Students actively engaged in sports, drama, entrepreneurship clubs, and community service, which has enhanced campus life and student resilience.

HIGHLIGHTS OF FY 2024/2025 PERFORMANCE

The Financial Year 2024/2025 commenced on a positive note, with the Government actively encouraging TVET institutions to absorb as many Form 4 leavers as possible.

MTTI has undertaken vigorous marketing efforts to boost student enrolment. However, in the year 2024/2025, student numbers declined slightly, which consequently impacted the institute's revenue.

Projects Undertaken

During the year, BOG was able to accomplish a few projects/ Major Activities as listed below:

Project	Budget	Amount paid	Status
Construction of tuition block	37,000,000	0	51%
Engineering Hub	4,000,000	3,954,000	100%

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Our future plans in relation to expansion and well-being of MTTI are as follows;

- To procure 14 sitter van
- Construct a lactating room for breast feeding staff
- To construct an open Carpentry Department Shed
- To construct and Complete the Proposed Tuition Block Phase II and Expansion of Septic Tank
- Construction of water storage tank and Sink Bore Hole

Challenges Faced

- Delayed Government Fund Remittance:

One of the primary challenges has been the delayed remittance of government funds, which impacted our operational capacity and delayed some planned maintenance and project activities. We are engaging with relevant authorities to address this issue and ensure timely funding in the future.

- Implementation of the New CBET Curriculum:

The transition to the Competency-Based Education and Training (CBET) curriculum has posed some implementation challenges, including staff training and curriculum adaptation. Nevertheless, our dedicated staff has made commendable progress, and we continue to refine our approach to fully embed the CBET framework.

Future Outlook

In the coming year, we plan to make MTTI even more attractive to prospective students by enhancing our facilities, expanding industry partnerships, and integrating innovative teaching methodologies. To stay competitive, management is investing in digital infrastructure, upgrading our learning environments, and strengthening linkages with industry players for practical placements and job opportunities.

Collaborations and Partnerships

We have established fruitful collaborations with local industries, NGOs, and development partners, which have facilitated internship opportunities, resource sharing, and joint projects. These partnerships are vital in aligning our training with industry needs and improving graduate employ-ability.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

In Conclusion

I extend my heartfelt appreciation to the management team, staff, students, and partners for their unwavering dedication and hard work. Their collective efforts have been instrumental in achieving the milestones outlined in this report. We are confident that, with continued collaboration and strategic focus, MTTI will grow stronger and remain a leading institution in technical education in Kenya.

Thank you for your continued support.

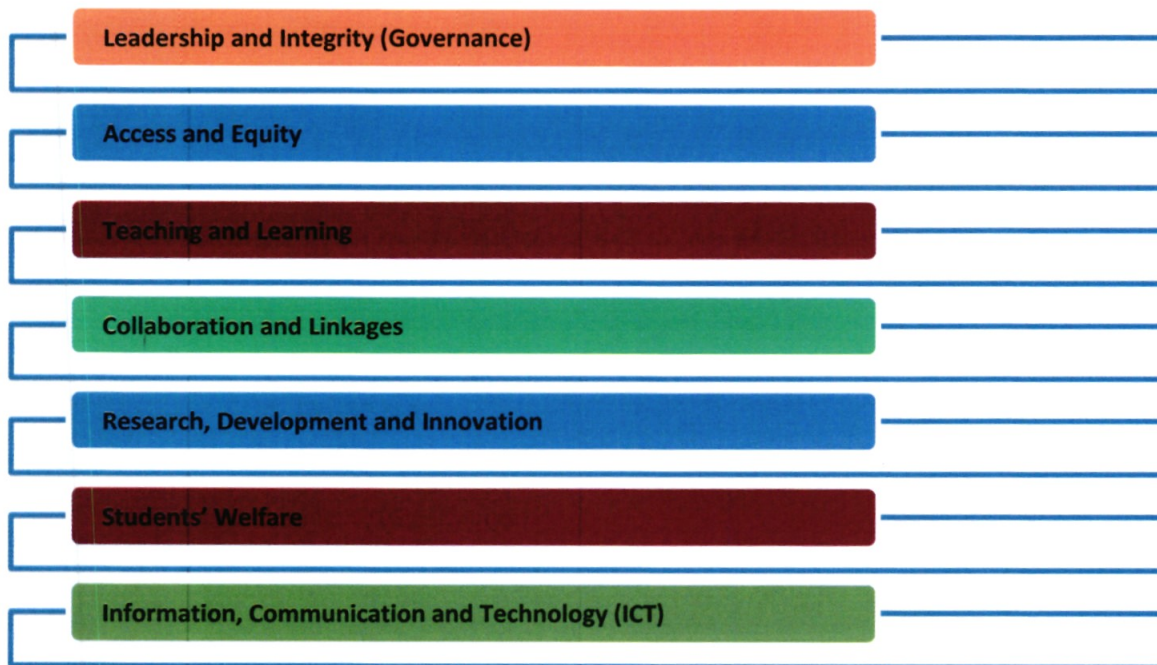


Catherine W. King'ori, HSC
Principal/Secretary to The Board of Governors
Date: 21st August, 2025



7 Statement of Performance Against Predetermined Objective

MTTI has 7 strategic pillars and objectives within its Strategic Plan for the 2023/24 – 2028/29. These strategic pillars are as follows:



MTTI develops its annual work plans based on the above 7 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. MTTI achieved its performance targets set for the FY 2024/2025 period for its 7 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objectives	Strategies	Key Performance Indicators	Activities	Achievements
Pillar 1. Leadership and Integrity (Governance)	Ensure MTTI remains solvent and meets its legal obligations	Enforcing compliance to laws and regulations	-Number of relevant laws and regulations -Survey reports	-Identify and enforce compliance with laws and regulations to be complied with	All relevant laws and regulations complied with as per compliance certificates
		Participating in cultural and trade exhibitions at regional and national levels	Number of cultural and trade exhibitions attended	Identify and train teams to participate in cultural and trade exhibitions	Students facilitated to participate in regional and national cultural and trade exhibitions with allocation of Sh. 2,070,000/ budget
	Ensure environmental sustainability in	Enhance the green movement unit	% of total budget allocated to	-Planting of trees and flowers	A total of Ksh. 500,000 allocated to Green

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

	project implementation		green movement	-Landscaping MTTI compound	Movement activities
		Equip the academic departments	Budget allocation for equipping departments equipment	-Procurement of Departmental Equipment	A total budget of ksh. 12,164,100/= was allocated to procurement of equipment
Pillar 2: Access and Equity	Promote access and equity in training	Enhance digital marketing opportunities	Number of digital marketing platforms in use	-Activating digital marketing platforms	Enhance Institute's Facebook, website page and WhatsApp are in use
		Implement affirmative action for the target groups	Number of policies implemented	Develop Gender and Disability mainstreaming policy	Allocated sh. 310,000/ budget to be used in Gender and Disability mainstreaming policy implementation
		Provide academic and social support for students by establishing students and staff centre	Number of counselling sessions	Identify students in need of counselling	Counselling and guidance department implementing the counselling and guidance activities. A total of sh. 1,160,000 had been allocated to the Department
Pillar 3: Teaching and Learning	To produce highly skilled, competent and self-driven human resource for the labour market.	Allocate funds to for the purpose	Amount of budget allocated to the purchasing of Training materials	Identify and procure Training materials	A total budget of Ksh. 22,263,000/ was allocated to procurement of training materials
Pillar 4 Collaboration and Linkages	Establish and strengthen existing collaborations and linkages	Facilitate students for industrial attachment and internship	Number of students in attachment	-Identify, place and assess students on attachment	600 students placed on attachment
Pillar 5 Research, Development and Innovation	Promote innovation and creativity in MTTI through	Develop research and development policy	Number of research and development policy	-Development of research and	Implementation of Research and Development Policy.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

	research and development and innovation			development policy	
		Participate in regional, national and international research exhibitions	Number of participations in national and international research exhibitions	Develop and rank research projects	Participation in regional and national TVET fair and robotic competition. Shs 5,300,000/= had been allocated.
		Recognize and reward innovation and creativity	% budget allocated to recognize reward innovation and creativity	-Assessing and ranking the research projects developed	A total budget of ksh. 350,000/ was allocated to recognizing and awarding highly ranked research projects
Pillar 6: Students' Welfare	Improve and enhance students' welfare	Facilitate Sports, drama and music activities	Amount in the total budget allocated to sports, Drama and music activities	Prepare and participate in extra curriculum activities.	A total budget of ksh 2,070,000/= was allocated Sports activities
Pillar 7: Information, Communication and Technology (ICT)	Enhance use of Information Communication Technology in MTTI's operations	Implement ICT capacity for staff	Number of members of staff trained in ICT	-Organize for ICT training for staff	70 members of staff trained on online learning
		Develop ICT infrastructure	Budget allocated to purchasing of ICT infrastructure	Procure desktops, laptops and printers	A total budget of ksh. 4,583,000 was allocated to purchasing of ICT infrastructure

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

8 Corporate Governance Statement

Technical Training Institute is committed to good corporate governance, which promotes the long-term interests of the Government of Kenya and any other stakeholder, strengthens Board and management accountability and helps build public trust in MTI.

The Board is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education. The Board serves as the ultimate decision-making body of MTI, except for those matters reserved to or shared with the Government of Kenya. The Board oversees the members of senior management, who are charged by the Board with conducting the business of MTI in line with the Technical, Vocational, Education & Training Act of 2013 and the constitution of the Republic of Kenya.

The Board of Governors held four Full board meetings and Four committee board meetings in the financial year 2024/2025. The current board was appointed on 18th January 2023, inaugurated on 1st February 2023 and inducted on 23rd and 24th of March 2023 at Embu, Kenya School of Government.

On expiry of the tenure of the current board (19th January, 2026) the process of appointment of a new board of management is as laid out in the TVET act of 2013 shall be followed.

Under the TVET act of 2013, the functions of Board of Governors as set out under section 28 (1) shall include-:

- a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- c) Administering and managing the property of the institutions;
- d) Developing and implementing the institutions' strategic plan;
- e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions; receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- f) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;
- g) Developing and reviewing programmes for training and to make representations thereon to the Board;
- h) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- i) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

- j) Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry;
- k) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- l) Making regulations governing organization, conduct and discipline of the staff and students;
- m) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- n) Providing for the welfare of the students and staff of the institutions;
- o) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions;
- p) Discharging all other functions conferred upon it by this Act or any other written law.

The board in the period it has been in existence has endeavoured to discharge its functions independently with vigour and passion. Their diligence and prudent management of resources has been result oriented and much has been achieved during their term in office. They have been able to interpret government policies and TVET Act as well as other relevant laws in existence making the institution to move forward as we actualize the strategic plan. Moving forward, the Board is aligning its discharging of duties by improving on its operations while surpassing the set targets where possible. In the interest of quality service delivery, the board is able to read from the same script as it renders its duties above board.

This will be attained with the incorporation of team spirit and self-sacrifice that is deep within the members.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

9 Management Discussion and Analysis

MTTI operational and financial performance

Management Discussion and Analysis (MD&A) Report for Mathenge Technical Training Institute (TVET), Kenya

Introduction

Mathenge Technical Training Institute (MTTI) continues to serve as a key player in Kenya's Technical and Vocational Education and Training (TVET) sector. This report provides an analysis of the financial and operational performance for the year ending June 30, 2025, highlighting key indicators, strategic insights, challenges, and opportunities, with a focus on sustainability and growth prospects.

Financial Performance Overview

Income and Revenue

- **Total Income:** KShs. 205.6 million, an increase of 14.2% from KShs. 180 million in the previous year.
- **Government Funding:** Received KShs. 54,452,501, representing a 21% increase from KShs. 44.8 million last year. This growth was driven by approval to utilize previously reserved development funds for internal projects, a strategic move that enhanced operational capacity.
- **Capital Donations:** Received computers valued at KShs. 15 million, supporting infrastructure development.

Expenses and Profitability

- **Total Expenses:** KShs. 214 million, down from KShs. 235.7 million in the prior year, primarily due to lower government disbursements and delays in quarterly funding.
- **Depreciation:** KShs. 22.6 million, consistent with ongoing infrastructure investments.
- Despite higher income, the institution recorded a slight operational deficit, reflecting the impact of delayed and reduced government funding affecting operational efficiency.

Assets and Liabilities

- **Current Assets:** KShs. 55 million (down from KShs. 76.9 million), with cash and cash equivalents at KShs. 14.6 million. The largest component of current assets is student debtors, indicating revenue realization challenges.
- **Non-Current Assets:** KShs. 475.4 million, largely comprising infrastructure and equipment.
- **Total Assets:** KShs. 529.6 million.
- **Liabilities:** Short-term liabilities totaled KShs. 29.9 million, indicating manageable obligations relative to assets.

Key Performance Indicators (KPIs)

Indicator	2025 (KShs.)	Prior Year (KShs.)	Change (%)
Total Income	205.6 million	180 million	14.20%
Government Funds Received	54.45 million	44.8 million	21%
Total Expenses	214 million	235.7 million	-9.20%
Net Operating Result	Slight deficit	Surplus or break-even	N/A
Total Assets	529.6 million	N/A	N/A
Cash & Cash Equivalents	14.6 million	N/A	N/A
Student Debtors	Highest component of current assets	N/A	N/A

Observations and Analysis

Financial Trends and Outlook

- The increase in overall income indicates positive growth, driven partly by strategic reallocation of reserve funds. However, the delayed government disbursements have constrained cash flow and operational execution.
- Expenses decreased, reflecting cost management efforts amidst funding challenges.
- The asset base remains robust, but liquidity pressures are evident given the decline in cash and current assets.

Growth and Strategic Positioning

- **Industry Trends:** Kenya’s TVET sector is experiencing increased government focus, industry demand for skilled labor, and digital transformation initiatives. MTTI is well-positioned to leverage these trends through curriculum modernization and industry collaborations.
- **Strategic Initiatives:** The institution aims to diversify revenue via industry partnerships, expand digital learning, and upgrade infrastructure, capitalizing on its substantial asset base.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Challenges

- Funding delays continue to impact cash flow and operational flexibility.
- Heavy reliance on government funding exposes the institution to policy and budget shifts.
- Competition for students and resources within the education sector necessitates continuous innovation and marketing.

Opportunities

- The reallocation of development funds demonstrates administrative agility, enabling internal improvements.
- Increased government interest in vocational training aligns with MTTI's strategic growth.
- Potential partnerships with industry players and donors can diversify income and improve financial stability.
- Digital transformation offers avenues for broader student engagement and operational efficiency.

Future Outlook and Risks

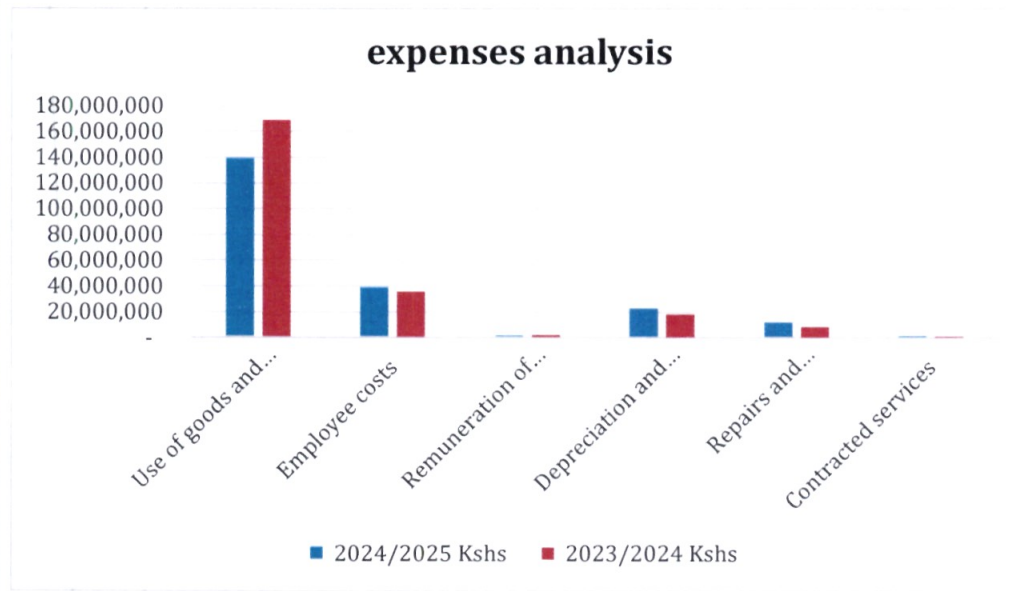
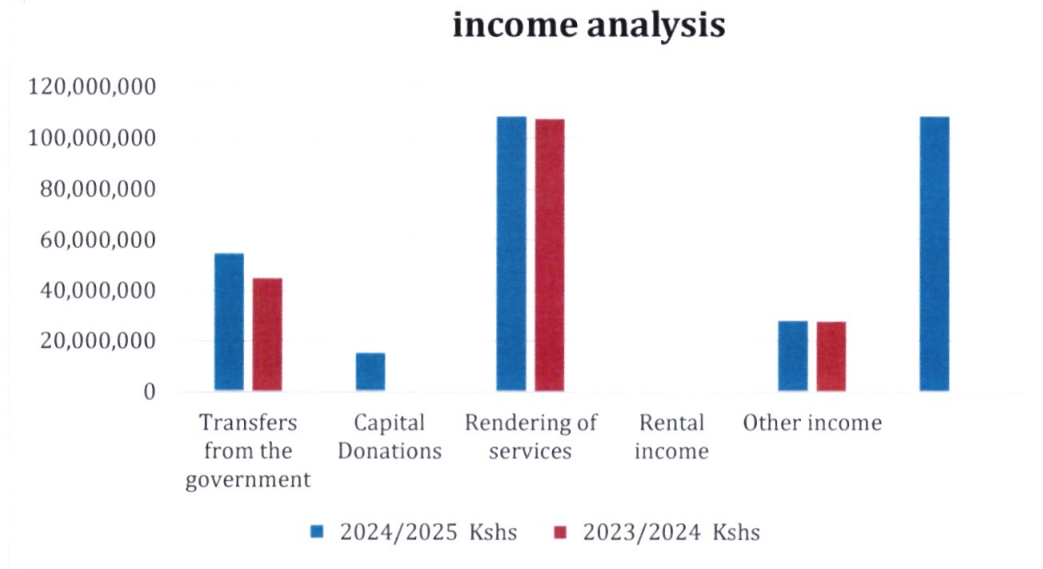
Past performance indicates resilience and an ability to adapt to funding fluctuations. However, the reliance on government disbursements underscores the importance of building financial flexibility. Continued investment in infrastructure, curriculum innovation, and industry linkages will be crucial to sustain growth.

If current trends persist, particularly in leveraging industry partnerships and digital initiatives, MTTI can expect steady growth. Nonetheless, risks related to funding delays and economic fluctuations require proactive management.

Conclusion

Mathenge Technical Training Institute has demonstrated adaptability and strategic responsiveness in a challenging funding environment. Though operational and liquidity pressures remain, the institution's asset base, strategic initiatives, and industry positioning provide a solid foundation for future growth. Sustained focus on income diversification, operational efficiency, and industry collaboration will be vital to realizing its long-term vision as a leading TVET provider in Kenya.

Here is an analysis of the income and expenses for the year, supported by relevant graphs:



Other risks and Opportunities facing MTTI

Opportunities	Threats
Potential for collaboration & Linkages	Competition from other TVCS
High demand for technical skills	Rapid Technological changes

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Centralized placement of new students by KUCCPS	Rapid changes of policy demands
Positive perception of TVET by the Public	High cost of training in practical skills
Demand for short term courses	Unpredictable job market
Access to student loans & bursaries from H.E.L.B, county & NGCDF	Cybercrime
Government support	Mental health
Enabling legal & policy framework	HIV/ AIDS drugs and substance abuse

MTTI major risks are mainly related to its core business which is training and human resource development. Some of the identified risks include;

- i. Low student enrolment.
- ii. Inadequate student accommodation and support facilities
- iii. Delayed disbursement of capitation and NYS sponsorship
- iv. Staff turnover due to transfers to other institutions and other greener pastures.

MTTI compliance with statutory requirements

MTTI complied to deduction and remittance of statutory deductions such as NSSF, SHIF, Housing levy and PAYE

Key projects and investment decisions

The projects under consideration in the FY 2024/2025 are summarised in the table below

S/N	Name of Project	Budget	Actual cost (Kshs)	Amount paid as at 30th June 2024	Completion rate	Timeline
1	Construction of tuition block Phase II	Internal	37,000,000	0	51%	24 Weeks
2	Engineering Hub	Internal	4,000,000	3,954,000	100%	12 Months


10 Environmental and Sustainability Reporting Statement

MTTI exists to transform lives through producing competent graduates capable of integrating the acquired scientific and technological skills in innovative nation building. This is Primarily our purpose, the driving force behind all that we do. It is what informs our strategy.

Below is an outline of MTTI's policies and activities that enhance sustainability.

Sustainability Strategy and Profile

MTTI strategy is anchored on MTP IV 2023-2027 that is informed by: The Kenya Vision 2030, Bottom-Up Economic Transformation Agenda and Global and Regional Development Commitments e.g United Nations 2030 Agenda for sustainable development and the Africa Agenda 2063.

1 NO POVERTY


During the Financial year under review, we surpassed the Access to Government Procurement Opportunities (AGPO) target of 30% to and recorded 61.55% actual uptake of reserved tenders to vulnerable groups. In addition, Buy Kenya Build Kenya initiative, procurement of locally produced goods and services by MTTI in the year 2023 was achieved at exactly 40% as per the target. The challenge that comes with attainment of these targets lies in financial constraints that warrant budget cuts thereby affecting the annual procurement plan.



Quality Education is at the heart of MTTI and our purpose engine to ensure that we contribute not only to the Bottom-Up Economic Transformation Agenda (BETA) but also to the East African Community (EAC) Agenda 2050, Africa Agenda 2063 and the UN 2030 Sustainability Development goals.



Further, good corporate governance promotes productivity holistically and value enhancement for all stakeholders including the public and governments, thus ensuring that benefits flow to every aspect of the economy. Good corporate governance in MTTI and in the country guided by the Constitution of Kenya, 2010, Mwongozo Code of Ethics among others will result in accelerated development and fast track the transformation of the Kenyan economy into a newly industrialized country by the year 2030.



It is often said that many hands make light work. MTTI does not operate in a silo and to achieve its goals, the national, regional and global goals, it has enlisted the valuable contribution and collaboration of like-minded persons, corporations and entities. Currently in partnership with Young Africa Works (YAW-K) through the government of Kenya, working towards transforming the quality of training in Technical and Vocational Training institutions. Also partnering with Industries to inform on the quality and relevance of training and the provision of practical experience through attachment and internship opportunities. During the year MTTI entered into collaboration with AFDB/GoK sponsorships for the needy and vulnerable, Computers for Schools Kenya (CFSK) that offered (twenty-five) 25 students a fully sponsored course on E-Waste Management.



MTTI has been able to achieve SDG 12 on Responsible Consumption and Production by meeting the targets set out in the Public Procurement and Assets Disposal Act 2012. More so by adopting the circular economy initiative advocated by the Bottom-Up Economic Transformation (BETA) agenda.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Political and macroeconomic factors affecting sustainability priorities.

- ❖ COVID-19 pandemic and its mitigation measures and aftermath slowed economic activities and led to reallocation of funds to the health sector adversely affecting the implementation of other programs and projects.
- ❖ Climate Change and rampant weather patterns as manifested in drought and flooding, and rising water levels in lakes, culminating in food insecurity and escalated cost of living.
- ❖ Russia-Ukraine conflict leading to disruption of global supply chains and skyrocketed prices of energy, food, and other commodities thereby triggering high inflation.
- ❖ Exchange rate volatility created uncertainty in the economy, hence negatively affecting the country's imports, exports and Foreign Direct Investment as result of a weakened shilling against the dollar.

Environmental Performance

We take our commitment to SDG7: Affordable and Clean Energy very seriously and are committed to becoming a net zero emitting Institutes by 2050. Thereby reducing our carbon foot print. We are achieving this in several ways which include solarizing sites, modernizing power systems and gradually moving away from fossil power. Against the backdrop of rapidly escalating energy costs, this makes sense from a financial, as well as an environmental perspective. In line with the principles of the circular economy, we focus on reducing, reusing, recycling and repurposing our waste. In the Financial Year 2022/23, we recycled 100% of the solid waste collected from our zero grazing units to organic farming in the Agricultural department thereby cutting down on farm produce supplies from outside.

Our perspective is that environmental sustainability will boost our growth in various ways and positively impact our customers and the communities in which we carry on our business.

Employee Welfare

MTTI complies with the Constitutional gender requirement in its recruitment process. As at the end of the reporting period, there were 57% male employees and 43% female employees out of the total number of employees. In leadership positions (Administrative staff and Heads of Department) out of the total number of employees there were 13% males and 6% Females. This balance has been maintained across all cadres of MTTI. During our recruitment process we encourage women and differently abled persons to apply. Further, a Career Progression Policy has been developed, approved and ratified by the Board of Governors and is being implemented detailing how MTTI will manage vacancies in various positions as they fall vacant to ensure fairness and consistency.

MTTI has developed and implements the policy on safety and compliance with Occupational Safety and Health Act (OSHA) by training staff, appointing a committee to implement the policy. Further, MTTI conducts fire drills to check on employee preparedness.

Market place practices.

MTTI continuously undertakes Corruption Risk Assessment of all its processes in an effort to promote transparency and accountability and has in place a Corruption Prevention Policy. MTTI publishes on its website the Invitations to tender on newspapers with nationwide circulation and locally to attract buy Kenya build Kenya.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Responsible Supply Chain and Supplier Relations

MTTI reserves 30% of its Annual procurement to special groups (Youth, Women and Persons Living with Disability (PWDs)) which aligns with the Public Procurement and Assets Disposal Act 2015. These procurement opportunities have thus created and continue to create diverse economic empowerment for special groups which are vulnerable, there by contributing to SDG Goal 1 which aims at eradicating poverty in all its dimensions.

In the FY2022/23, MTTI settled substantially 98% all its outstanding payments to suppliers within an average of thirty (30) days upon receipt of all supporting documents, including invoices, which is well within the statutory requirement of thirty (30) days. This ensured that liquidity levels were maintained by the businesses, and that they could meet their cash obligations as required.

Responsible marketing and advertisement

MTTI marketing strategy involves personal selling through distribution of brochures in towns an, market places and other strategic locations. On radio stations with a national reach and on newspapers that have a national reach and those that specifically enlist accredited TVET institutions.

Mathenge has also leveraged digital marketing by utilizing social media platforms such as TikTok, Facebook, and Instagram to promote the courses offered.

Product stewardship

During the year 2024/2025 MTTI facilitated a two (2) weeks training for TVET managers Phase I sponsored by GOK/AFDB and facilitated by the Kenya School of TVET (KSTVET) for twenty (20) members of staff, twelve (12) males and eight (8) females. The program was geared towards adopting international best practices and equipping the staff members with the requisite skills in response to emerging issues in their various specializations, effective management and career progression. MTTI continues to leverage on online/virtual trainings. In addition, three (3) members of staff were facilitated in their Continuous Professional Development (CPD) programs to ensure they are in good standing with their respective professional bodies.

Corporate Social Responsibility / Community Engagements. In line with SDG goal 5 – aimed at achieving gender equality and to empower all women and girls. MTTI through Women in Technical Education (WITED) initiative Kenyan chapter teamed up with MTTI Red-cross and Scouts club to empower girls from all neighbouring primary schools through re-productive health and self-awareness program after which sanitary protection was distributed to the girls.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

11 Report of the Board of Governors

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

Principal activities

The principal activities of MTTI are to provide quality Technical Vocational Training and Entrepreneurship training for effective and sustainable nation building.

Results

The results of MTTI for the year ended 30th June 2025 are set out on page 1 to 27

Board of Governors

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

Auditors

The Auditor General is responsible for the statutory audit of MTTI 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 of Governors

MTTI

Date: 21st August 2025

12 Statement of Board of Governors' Responsibilities

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

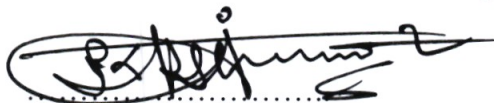
The council members are responsible for the preparation and presentation of MTTI financial statements, which give a true and fair view of the state of affairs of MTTI for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of MTTI; (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 MTTI (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

MTTI's financial statements were approved by the Board on **25th August 2025** and signed on its behalf by:



Chairman Board of Governors



Accounting officer/ Principal



13 Report of the auditor general on Mathenge Technical Training Institute Annual Financial Statements for the Year Ended 30th June 2025

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON MATHENGE TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that 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

Opinion

I have audited the accompanying financial statements of Mathenge Technical Training Institute set out on pages 1 to 30, 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, the financial statements present fairly, in all material respects, the financial position of Mathenge Technical Training Institute 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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mathenge Technical Training Institute 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 opinion.

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. There were no key audit matters to report in the year under review.

Other Matter

In the audit report of the previous years, several issues were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the matters have remained unresolved.

Other Information

The Management are responsible for the Other Information set out on page iii to xxix which comprise of Key Entity Information and Management, Statement of Performance Against Predetermined Objectives for the year, Management Discussion Analysis, Environmental and Sustainability Reporting and Statement of Directors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Mathenge Technical Training Institute 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 thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

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

Basis for Conclusion

Non-Compliance with Ethnic Diversity Requirements

Review of human resource records revealed the Institute did not comply with the ethnic diversity requirements set out in the NCIA, 2008. Out of a total of 58 staff, 43 employees belong to one ethnic group, representing approximately 74% of the total workforce. Hence, the proportion greatly exceeds the statutory limit of one-third (33.3%), indicating that the institution's staffing does not reflect Kenya's ethnic diversity.

In the circumstances, Management was in breach of the National Cohesion and Integration Act, 2008 and the Constitution of Kenya, 2010.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, 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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance

were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and 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 Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

Those charged with governance are responsible for overseeing the Institute'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 overall 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

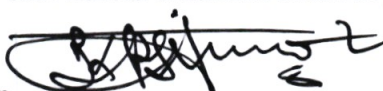
17 December, 2025


Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**14 Statement of Financial Performance for the Year Ended 30th June 2025**


	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants	6	54,452,501	44,790,317
Capital donations	7	15,000,000	-
Total Revenue from non-exchange transactions		69,452,501	44,790,317
Revenue from exchange transactions			
Rendering of services- Fees from students	8	108,301,787	107,518,347
Rental revenue from facilities and equipment	9	118,000	183,870
Other income	10	27,754,311	27,567,479
Revenue from exchange transactions		136,174,098	135,269,696
Total revenue		205,626,599	180,060,013
Expenses			
Use of goods and services	11	138,646,919	168,343,540
Employee costs	12	38,619,942	35,746,336
Remuneration of directors	13	1,501,300	2,545,267
Depreciation and amortization expense	14	22,621,464	18,492,822
Repairs and maintenance	15	11,892,495	9,117,839
Contracted services	16	1,465,000	1,536,000
Total expenses		214,747,120	235,781,804
Net deficit for the year		(9,120,521)	(55,721,791)

The notes set out on pages 6 to 27 form an integral part of the Annual Financial Statements.

The Financial Statements set out on pages 1 to 27 were signed on behalf of MTTI Board of Governors by:

Sign 
 Chairman Board of
 Governors
 Date: 25th August 2025

Sign 
 Finance Officer
 ICPAK No: 14834
 Date: 25th August 2025

Sign 
 Principal
 Date: 25th August 2025




Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30 June 2025


15 Statement of Financial Position as at 30th June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	14,659,946	29,591,236
Receivables from exchange transactions	18	34,707,745	40,249,520
Receivables from mentored institution	19	4,520,603	5,831,567
Biological assets	20	1,382,000	1,251,000
Total Current Assets		55,270,294	76,923,323
Non-current assets			
Property, plant and equipment	21	471,563,137	473,307,197
Intangible assets	22	2,788,913	1,817,828
Total Non-current Assets		474,352,050	475,125,025
Total assets		529,622,344	552,048,348
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	23	25,957,071	25,181,771
Payable to mentored institutions	24	-	1,310,964
Refundable deposits from students	25	4,024,656	3,586,156
Total Current Liabilities		29,981,727	30,078,891
Non-current liabilities			
Deferred income	25	-	13,208,319
Total Non-current liabilities		-	13,208,319
Total liabilities		29,981,727	43,287,210
Reserves			
Accumulated surplus		225,569,429	232,477,956
Revaluation reserve	28	178,643,303	178,643,303
Capital Grants	29	95,427,885	97,639,879
Total Reserves		499,640,617	508,761,138
Total Liabilities and Reserves		529,622,344	552,048,348

The Financial Statements set out on pages 1 to 27 were signed by:


Chairman Board of Governors

25th August 2025


Finance Officer
ICPAK No. 14834
25th August 2025


Principal

25th August 2025

PRINCIPAL
MATHENGE TECH. TRAINING INSTITUTE
P.O. Box 665 - 10106
OTHAYA

16 Statement of Changes in Net Assets for the Year ended 30 June 2025

	Revaluation reserve	Accumulated surpluses	Capital Grants	Total
Balance c/d as at June 30, 2024				
Balance b/f as at July 1, 2023	178,643,303	285,871,332	99,968,294	564,482,929
Deficit for the year	-	(55,721,791)	-	(55,721,791)
Transfer of depreciation from development grants to retained earnings	-	2,328,415	(2,328,415)	-
Balance c/d as at June 30, 2024	178,643,303	232,477,956	97,639,879	508,761,138
Balance b/f as at July 1, 2024	178,643,303	232,477,956	97,639,879	508,761,138
Deficit for the year	-	(9,120,521)	-	(9,120,521)
Transfer of depreciation from development grants to retained earnings	-	2,211,994	(2,211,994)	-
Balance c/d as at June 30, 2025	178,643,303	225,569,429	95,427,885	499,640,617

17 Statement of Cash Flows for the year Ended 30 June 2025

		2024/2025	2023/2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities		54,452,501	44,790,317
Rendering of services		100,942,460	117,543,399
Other income		27,754,311	27,567,479
Rental revenue from facilities and equipment		118,000	183,870
Total receipts		183,267,272	190,085,065
Payments			
Use of goods and services		126,426,662	130,434,131
Employee costs		38,619,942	35,678,436
Board Expenses		1,501,300	2,545,267
Repairs and maintenance		11,892,495	8,853,122
Contracted services		1465000	1536000
Prior year payables paid during the year		11,444,674	-
Total payments		191,350,073	179,046,956
Net cash flows from/(used in) operating activities	27	(8,082,801)	11,038,109
Cash flows from investing activities			
Purchase of property, plant, equipment	21	(4,498,489)	(3,202,891)
Net cash flows from/(used in) investing activities	22	(2,350,000)	
		(6,848,489)	(3,202,891)
Net increase/(decrease) in cash & Cash equivalents		(14,931,290)	7,835,218
Cash and cash equivalents at 1 July		29,591,236	21,756,018
Cash and cash equivalents at 30 June	17	14,659,946	29,591,236

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

18 Statement of Comparison of Budget and Actual amounts for the Year Ended 30 June 2025

	Original budget	Adjustments	Final budget	Actual on comparable basis	Over/(under) utilization	Over/(under) utilization %ges	Explanation
	2024/2025	2024/2025	2024/2025	2024/2025	2024/2025	2024/2025	
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from other Govt entities Govt grants	73,000,000	3,365,000	76,365,000	54,452,501	(21,912,499)	-29%	(i)
Rendering of services- Fees from students	274,898,170	(72,265,577)	202,632,593	108,301,787	(94,330,806)	-47%	
Other income	24,625,350	(993,556)	23,631,794	27,754,311	4,122,517	17%	
Rental income and hire of facility	390,000	(169,372)	220,628	118,000	(102,628)	-47%	(ii)
Total income	372,913,520	- 70,063,505	302,850,015	190,626,599	(112,223,416)	-37%	
Expenses							
Compensation of employees	39,504,100	(1,404,315)	38,099,785	38,619,942	(520,157)	-1%	
Use of Goods and services	243,471,420	(72,478,416)	170,993,004	138,646,919	32,346,085	23%	(iii)
Repairs and maintenance	10,558,000	1,923,726	12,481,726	11,892,495	589,231	5%	(iv)
Remuneration of directors	3,500,000	(621,500)	2,878,500	1,501,300	1,377,200	92%	(v)
Contracted services	2,880,000	(848,000)	2,032,000	1,465,000	567,000	39%	(vi)
Total expenditure	299,913,520	(73,428,505)	226,485,015	192,125,656	33,792,359		
Surplus for the period	73,000,000	3,365,000	76,365,000	(1,499,057)	(146,015,775)		
Capital expenses							
Development expenditure	90,588,425	(16,070,125)	74,518,300	6,848,489	67,669,811	988%	(vii)
Surplus for the period after depreciation and capital expenditure	(17,588,425)	19,435,125	1,846,700	(8,347,546)			

i)The government did not release the funds on time as expected. Also, the capitation for quarter four was not received

ii. The deficit resulted mainly from delayed /non- payment of fees from sponsored students especially those under NYS Sponsorship Program.

iii. The Increase in Other Revenue mainly came from good performance in Part time & Short Programs

iv. During the year there was reduction on the customers requesting on hire of our facilities

V, vi, vii. viii : these resulted from measures the management undertook to avoid the institute running into debts due to reduction on revenue as indicated in (i) and (ii) above.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

19 Notes to the Financial Statements

1. General Information

MTTI is established by and derives its authority and accountability from PFM Act, the State Corporations Act and the TVET Act. MTTI is wholly owned by the Government of Kenya and is domiciled in Kenya. MTTI is established under the Ministry of Education via certificate number **TVETA/PUBLIC/TVC/0046/2016**.

MTTI's principal activity is to provide quality training in technical, industrial, vocational and entrepreneurship. The mandate of MTTI is through registration under the Ministry of Education under the Education Act Cap 211 under the first schedule. It is also guided through its operations by other Acts of Parliament like KNEC Act , TSC Act, KASNEB Act and others.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying MTTI's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of MTTI.

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.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>There is no impact of the standard to the Entity</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>There is no impact impact of the standard to the Entity</i>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>There is no impact of the standard to the Entity</i>
IPSAS 46:	<i>Applicable 1st January 2025</i>

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Measurement	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>There is no impact of the standard to the Entity</i></p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>There is no impact of the standard to the Entity</i></p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>There is no impact of the standard to the Entity</i></p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>There is no impact of the standard to the Entity</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

	<p>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.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p><i>There is no impact of the standard to the Entity</i></p>
--	--

iii. Early adoption of standards

The Entity did not adopt any new or amended standards in the financial year

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees

MTTI recognizes capitation from government when the transfer of funds is done.

Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to MTTI and the fair value of the asset can be measured reliably.

Transfers from other government entities

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

Recurrent grants are recognized in the statement of comprehensive income.

Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

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

b) Budget information

The original budget for FY 2024-2025 was approved by the Board of Governors on 28th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the Board. The additional appropriations are added to the original budget by MTTI upon receiving the respective approvals in order to conclude the final budget

MTTI'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 a cash basis.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

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.

c) 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 of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, MTTI 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.

Depreciation on all other assets is calculated on the reducing balance basis method to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

	Rate %
Buildings	2
Plant and machinery	5
Motor vehicles	25
Furniture and fittings	12.5
Computer equipment	30

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings in the statement of changes in equity.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Summary of Significant Accounting policies (continued)

d) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis

e) Nature and purpose of reserves

a. Accumulated surpluses

This relates to surpluses brought forward and the one for the current year.

b. Capital reserves

This relates to fixed assets granted by the government or any other donor.

f) Changes in accounting policies and estimates

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

g) Employee benefits

Retirement benefit plans

The institution and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The institution's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

h) Related parties

MTTI regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Institution, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the Principal and Heads of departments.

The government of Kenya through the ministry of education is also related party to MTTI.

i) 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.

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

j) Comparative figures

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

k) 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 30th June 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of MTTI'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.**

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 MTTI
- 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

6 (a) Transfers from national government ministries

Description	2024-2025	2023-2024
	KShs	KShs
Unconditional grants		
Operational grant - capitation	33,074,000	30,600,000
Conditional grants		
Administration block grant	13,208,319	-
Sponsor ship	8,170,182	14,190,317
Total Government grants and subsidies	54,452,501	44,790,317

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

6 (b) Transfers from ministries, departments and agencies

Name of the entity sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognized in capital fund.	Total grant income during the year	2022-2023
			KShs	KShs	KShs
Ministry of Education State department of Vocational and Training	54,452,501	-	-	54,452,501	44,790,317
Total	54,452,501	-	-	54,452,501	44,790,317

7 Capital donations

Description	2024-2025	2023-2024
	KShs	KShs
Computers for Jitume programme	15,000,000	-
Total Capital donations	15,000,000	-

8 Rendering of Services

Description	2024-2025	2023-2024
	KShs	KShs
Tuition fees	72,372,216	82,485,105
Activity fees	5,649,280	6,403,480
Examination fees	24,813,675	15,094,902
Students' attachment	3,793,610	3,534,860
Total Rendering of Services	106,628,781	107,518,347

9 Rental Revenue from Facilities and Equipment

Description	2024-2025	2023-2024
	KShs	KShs
House rent	118,000	84,000
Hire Of Facilities	-	99,870
Total rentals	118,000	183,870

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**10 Other Income**

Description	2024-2025	2023-2024
	KShs	KShs
Students ID Cards & Deposits	379,000	507,136
Accommodation & Pay As You Eat	23,356,750	25,583,531
Income from Farm	986,241	749,512
Production unit	227,320	290,300
Fair value gain - Biological assets	131,000	437,000
Graduation Income	2,674,000	-
Total other income	27,754,311	27,567,479

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****11 Use of Goods and Services**

Description	2024-2025	2023-2024
	KShs	KShs
Electricity	8,719,747	6,967,608
Accommodation and Pay As You Eat	23,581,253	23,593,717
Activity and sports	11,371,521	8,046,958
Students' welfare	926,354	793,070
Students' attachment	981,385	906,685
Contingencies	1,062,383	1,325,400
Training and practical materials	24,307,453	21,077,796
Examination	25,967,359	28,254,655
Tvet Fair/robotics and research	422,131	1,005,420
Research and Development	379,165	645,465
Refunds	85,272	-
Staff Uniform	35,550	367,700
Library books upgrading	584,680	467,150
Advertising	2,117,600	2,009,790
Entertainment	-	80,000
Conferences, delegations, seminars and workshops	8,252,626	8,473,291
Farm expenses	1,471,957	1,194,835
Graduation expenses	1,139,000	-
Performance Contract/ISO	1,631,400	1,424,185
Newspapers	92,880	91,850
Students' deposits	442,500	5,000
Insurance	840,479	1,031,598
Postage	1,951,567	2,268,918
Stationery equipment and stores	8,091,651	8,218,317
Travel and accommodation cost	6,318,600	7,656,034
Hire of Facilities Expense	-	90,530
Generator-project expense	-	45,450
Production Units	416,655	2,129,088
Staff meals	2,437,860	2,520,000
Dispensary & House keeping	4,478,091	5,599,254
Strategic plan expenses	539,800	1,807,349
Provision expense	-	30,246,427
Total good and services	138,646,919	168,343,540

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****12 Employee Costs**

	2024-2025	2023-2024
	KShs	KShs
Salaries and wages	38,619,942	35,746,336
Total Employee costs	38,619,942	35,746,336

13 Remuneration of Directors

Description	2024-2025	2023-2024
	KShs	KShs
Other allowances	1,501,300	2,545,267
Total director emoluments	1,501,300	2,545,267

14 Depreciation and Amortization Expense

Description	2024-2025	2023-2024
	KShs	KShs
Property, plant and equipment	21,242,549	17,583,907
Intangible assets	1,378,915	908,915
Total depreciation and amortization	22,621,464	18,492,822

15 Repairs and Maintenance

Description	2024-2025	2023-2024
	KShs	KShs
Repairs and maintenance of buildings and equipment	11,892,495	9,117,839
Total repairs and maintenance	11,892,495	9,117,839

16 Contracted Services

Description	2024-2025	2023-2024
	KShs	KShs
Security expense	1,465,000	1,536,000
Total	1,465,000	1,536,000

Notes to the Financial Statements (continued)**17 (a) Cash and Cash Equivalents**

Description	2024-2025	2023-2024
	KShs	KShs
Current account	6,801,632	14,204,961
Mentees bank accounts	-	1,311,325
Development account	7,526,019	13,208,319
Cash on hand	30,030	177,806
Imprest	302,265	688,825
Total cash and cash equivalents	14,659,946	29,591,236

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**(b) Detailed analysis of cash and cash equivalents**

		2024-2025	2023-2024
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank - Main	1101539992	6,801,632	14,204,961
Sub- total		6,801,632	14,204,961
b) Development account			
Kenya Commercial bank	1103196731	7,526,019	13,208,319
Sub- total		7,526,019	13,208,319
c) Mentees bank accounts			
Kieni TTI -Kenya Commercial bank	1175681075	-	467,090
Laikipia East TTI --Kenya Commercial bank	1153091712	-	844,235
Sub- total		-	1,311,325
d) Others			
cash on hand		30,030	177,806
Imprest		302,265	688,825
Sub- total		332,295	866,631
Grand total		14,659,946	29,591,236

Notes to the Financial Statements (continued)

18 Receivables from Exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
Student debtors	62,419,771	68,206,712
Provisions for doubtful debts	(30,246,427)	(30,246,427)
Net students' debtors	32,173,344	37,960,285
Staff advances	109,500	54,504
Sundry debtors	2,424,901	1,818,801
examination debtors	-	415,930
Total current receivables	34,707,745	40,249,520

Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs	% of the total	Kshs	% of the total
0-90DAYS	18,030,501	28%	24,589,238	35%
91-180DAYS	14,103,400	22%	11,947,882	17%
181-270DAYS	296,652	0%	1,536,899	2%
271-360DAYS	458,392	1%	356,700	1%
ABOVE 360DAYS	32,065,227	49%	32,065,227	45%
Total (a+b)	64,954,172	100%	70,495,946	100%
Less the bad-debts provisions	(30,246,426)		(30,246,426)	
Net trade and other debtors	34,707,746		40,249,520	

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****19 Receivables from Mentored Institution**

Description	2024-2025	2023-2024
	KShs	KShs
At start of the year	5,831,567	5,831,567
Advances during the year	(1,310,964)	-
At close of year	4,520,603	5,831,567

Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs	% of the total	Kshs	% of the total
ABOVE 360DAYS	4,520,603	100%	5,831,567	100%
Net trade and other debtors	4,520,603	100%	5,831,567	100%

20 Biological Assets

Description	2024-2025	2023-2024
	KShs	KShs
Six Friesian cows	880,000	726,000
Sheep		
17 mature Hampshire adult sheep @ 26,000	442,000	416,000
medium adult sheep @17000	-	85,000
5 Lamb Hampshire @ 12,000	60,000	24,000
Total	1,382,000	1,251,000

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Notes to the Financial Statements (continued)

21 Property, Plant and Equipment

Fixed assets were revalued by a professional valuer and given that the books of accounts had not been prepared by then, the institution adopted the values after the revaluation. There is no significant change in market values between 30th June 2024 and the date of valuation.

Cost	Land	Buildings	Basket ball	Shed	Tents	Machinery	Motor Vehicles	Computer equipment	Office Equipment	Furniture and Fittings	Other loose assets	Gate	Capital Work in progress	Total
	Shs	Shs		Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Depreciation rates		2.0%	20.0%	30.0%	50.0%	5.0%	25.0%	30.0%	20.0%	12.5%	33.3%	5.0%	0.0%	
As at 30 June 2023	53,400,000	371,398,109	3,487,967	201,224	590,989	70,752,259	22,960,000	14,938,503	3,339,470	15,074,284	6,450,220	913,268	-	563,506,293
Additions	-	-	-	-	-	-	-	2,152,416	944,755	105,720	-	-	-	3,202,891
As at 30 June 2024	53,400,000	371,398,109	3,487,967	201,224	590,989	70,752,259	22,960,000	17,090,919	4,284,225	15,180,004	6,450,220	913,268	-	566,709,184
Additions	-	-	-	-	-	-	-	4,013,495	-	-	484,994	-	-	4,498,489
Capital donations	-	-	-	-	-	-	-	15,000,000	-	-	-	-	-	15,000,000
As at 30 June 2025	53,400,000	371,398,109	3,487,967	201,224	590,989	70,752,259	22,960,000	36,104,414	4,284,225	15,180,004	6,935,214	913,268	-	586,207,673
Depreciation														
30-Jun-23	-	27,198,430	1,702,128	132,204	517,116	12,914,908	13,441,094	8,285,199	1,279,755	5,289,636	4,968,567	89,043	-	75,818,080
Depreciation	-	6,883,994	357,168	20,706	36,937	2,891,868	2,379,727	2,641,716	600,894	1,236,296	493,390	41,211	-	17,583,907
30-Jun-24	-	34,082,424	2,059,296	152,910	554,053	15,806,776	15,820,821	10,926,915	1,880,649	6,525,932	5,461,957	130,254	-	93,401,987
Depreciation	-	6,746,314	285,734	14,494	18,468	2,747,274	1,784,795	7,553,250	480,715	1,081,759	490,595	39,151	-	21,242,549
30-Jun-25	-	40,828,738	2,345,030	167,404	572,521	18,554,050	17,605,616	18,480,165	2,361,364	7,607,691	5,952,552	169,405	-	114,644,536
Net book value														
30-Jun-25	53,400,000	330,569,371	1,142,937	33,820	18,468	52,198,209	5,354,384	17,624,249	1,922,861	7,572,313	982,662	743,863	-	471,563,137
30-Jun-24	53,400,000	337,315,685	1,428,671	48,314	36,936	54,945,483	7,139,179	6,164,004	2,403,576	8,654,072	988,263	783,014	-	473,307,197

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****22 Intangible Assets – work-in-progress**

Description	2024-2025	2023-2024
	KShs	KShs
At beginning of the year	4,544,573	4,544,573
Additions	2,350,000	-
Cost end of the year	6,894,573	4,544,573
Amortization and impairment		
At beginning of the year	2,726,745	1,817,830
Amortization	1,378,915	908,915
Amortization at end of the year	4,105,660	2,726,745
NBV	2,788,913	1,817,828

23 Trade and Other Payables from Exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
Trade payables	18,257,685	11,444,957
Other payables	1,459,369	354,327
Fees paid in advance	6,240,017	13,382,487
Total trade and other payables	25,957,071	25,181,771

Ageing Analysis on Receivables from Non-Exchange Transactions

Ageing analysis:	2024-2025	% of the Total	2023-2024	% of the Total
0 to 30 days	9,802,514	38%	18,181,284	72%
30 to 90 days	5,073,674	20%	1,166,147	5%
60 to 90 days	10,052,921	39%	3,432,040	14%
over 90 days	1,027,962	4%	2,402,300	10%
Total	25,957,071	100%	25,181,771	100%

24 Payable to Mentored Institutions

Description	2024-2025	2023-2024
	KShs	KShs
Opening balance	1,310,964	1,310,964
Less: repayment	(1,310,964)	
Closing balance	-	1,310,964

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****25 Refundable Deposits from Customers/students**

Description	2024-2025	2023-2024
	KShs	KShs
At start of year	3,586,156	2,916,156
Caution money received during the year	439,500	749,500
Caution money refunded during the year	(1,000)	(79,500)
Total deposits	4,024,656	3,586,156

Ageing Analysis on Receivables from Non-Exchange Transactions

Ageing analysis:	2024-2025	% of the Total	2023-2024	% of the Total
0 to 30 days	-	0%	-	0%
30 to 90 days	439,500	11%	749,500	21%
60 to 90 days	-	0%	-	0%
over 365 days	3,585,156	89%	2,836,656	79%
Total	4,024,656	100%	3,586,156	100%

26 Deferred Income

Description	2024-2025	2023-2024
	KShs	KShs
At start of year	13,208,319	13,208,645
Bank charges	(13,208,319)	(326)
At end of year	-	13,208,319

27 Cash Generated from Operations

	2024-2025	2023-2024
	KShs	KShs
Surplus for the year	(9,120,521)	(55,721,791)
Adjusted for:		
Depreciation and amortization	22,621,464	18,492,822
Fair value gain	(131,000)	(437,000)
Capital Donations	(15,000,000)	
Working Capital adjustments:		
Decrease / Increase in receivables	6,852,739	35,114,806
Decrease / Increase in payables	(13,305,483)	13,589,272
Net cash flow from operating activities	(8,082,801)	11,038,109

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Notes to the Financial Statements (continued)

28 Revaluation Reserve

	Buildings	Loose tools	Motor vehicles	Computers	Total
	KShs	KShs	KShs	KShs	KShs
Cost before revaluation	168,607,299	3,032,085	12,390,000	2,666,300	186,695,684
Market values at revaluation	331,200,000	6,013,220	13,800,000	5,665,000	356,678,220
Gain in value	162,592,701	2,981,135	1,410,000	2,998,700	169,982,536
Brought forward depreciation reversed	4,161,949	719,135	3,097,500	682,184	8,660,767
Revaluation reserve	166,754,650	3,700,270	4,507,500	3,680,884	178,643,303

Notes to the Financial Statements (continued)

29 Capital Reserve

Cost	Equipment donated by the ministry	Land	Total
	KShs	KShs	KShs
As at 30th June 2021	57,173,648	53,400,000	110,573,648
Additions	-	-	-
As at 30th June 2022	57,173,648	53,400,000	110,573,648
Depreciation			
As at 30 June 2020	2,858,682	-	2,858,682
Charge for the year	2,715,748	-	2,715,748
As at 30 June 2021	5,574,430	-	5,574,430
Charge for the year	2,579,961	-	2,579,961
As at 30 June 2022	8,154,391	-	8,154,391
Charge for the year	2,450,963	-	2,450,963
As at 30 June 2023	10,605,354	-	10,605,354
Charge for the year	2,328,415		2,328,415
As at 30 June 2024	12,933,769		12,933,769
Charge for the year	2,211,994		2,211,994
As at 30 June 2025	15,145,763		15,145,763
Net book value			
30th June 202	42,027,886	53,400,000	95,427,886

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Notes to the Financial Statements (continued)

30 Financial Risk Management

MTTI'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.

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

(i) Credit risk

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

	Total amount Kshs	Fully performing Kshs
At 30 June 2024		
Cash and cash equivalents	29,591,236	29,591,236
Receivables from exchange transactions	70,495,947	40,249,520
Receivables from mentored institutions	5,831,567	5,831,567
Total	105,918,750	75,672,323
At 30 June 2025		
Cash and cash equivalents	14,659,946	14,659,946
Receivables from exchange transactions	64,954,172	34,707,745
Receivables from mentored institutions	4,520,603	4,520,603
Total	84,134,721	53,888,294

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Notes to the Financial Statements (continued)****Financial Risk Management (Continued)****(i) Credit risk (continued)**

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

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with MTTI's directors, who have built an appropriate liquidity risk management framework for the management of MTTI's short, medium and long-term funding and liquidity management requirements. MTTI 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.

	Less than 1 month	Between 1- months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade and other payables from exchange transactions		25,957,071	-	25,957,071
Mentoring institution balances		-	-	1,310,964
Refundable deposits from students		-	4,024,656	4,024,656
Deferred income			-	-
Total	-	25,957,071	4,024,656	31,292,691
At 30 June 2024				
Trade and other payables from exchange transactions		25,181,771	-	25,181,771
Mentoring institution balances		1,310,964	-	1,310,964
Refundable deposits from students			3,586,156	3,586,156
Deferred income			13,208,319	13,208,319
Total		26,492,735	16,794,475	43,287,210

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Notes to the Financial Statements (continued)

Financial Risk Management (continued)

(iii) Market risk

MTTI has put in place an internal audit function to assist it in assessing the risk faced by MTTI 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 MTTI'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 optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

31 Related Party Balances

Nature of related party relationships

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

- i) Key management;
- ii) Board of directors;

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

	2024-2025	2023-2024
	Kshs	Kshs
Transactions with related parties		
a) Grants /Transfers from the Government		
Grants from National Government	13,208,319	44,790,317
Capital grants	8,170,182	
Total	54,452,501	44,790,317
b) Key Management Compensation		
Directors' emoluments	1,501,300	2,545,267

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

NOTES TO THE FINANCIAL STATEMENTS (Continued)

32 Capital Commitments

MTTI did not have any capital commitments as at 30th June 2025

33 Events After the Reporting Period

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

34 Ultimate and Holding Entity

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

35 Currency

The financial statements are presented in Kenya Shillings (Kshs).

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Appendix I: Progress on Follow-up of Prior Year Audit Issues

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	Officer responsible
1	Lack of ownership documents	The management is in the process of obtaining the Institution's land title documents.	<i>Not Resolved</i>	-	Principal and Finance Officer
2	Budgetary control and performance	The under-funding is due to non-remittance of the funds by the government	<i>Not Resolved</i>		Principal and Finance Officer
4	Non-compliant with law on Ethnic composition	The institute is committed to observe ethnic composition during recruitment on BoG staff	<i>Resolved</i>	2024/2025.	Principal
5	Failure to carry out training need assessment	The management have now prepared training needs assessment for subsequent year.	<i>Resolved</i>	2024/2025.	Principal
6	Employment of unlicensed trainers	Most of the identified unlicensed trainers, have since been registered with TVETA and that they are and the remaining ones are waiting for the registration numbers to be issued. For the trainers not yet registered, the management will notify all its Board of governors unlicensed trainers to obtain the necessary licenses in order to comply with Section 23 of the Technical and Vocational Training Act of 2013.	<i>Resolved</i>	2024/2025.	Principal

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	Officer responsible
7	Un-surrendered Imprest	The un-surrendered imprests were due to the cut-off period for the year, which coincided with the middle of an academic term when many ongoing activities take place. All identified outstanding imprests as at 30 th June 2025 were subsequently surrendered after the year-end.	Resolved	2024/2025.	Finance officer
8	Lack of ICT environment	Subsequent to year 2023/2024, the management with the help of the board, have formed an ICT committee and also in the process of finalizing IT continuity plan.	Resolved	2024/2025.	Principal
9	Failure to conduct annual performance appraisals by the board	The board of governors conducted board performance evaluation retreat which was done between 3 rd and 6 th August 2022.	Resolved	2024/2025.	Principal
10	Lack of Board member succession plan	During the nomination process for the board members', the management had considered succession plan, and had recommended the retention of some former board members. However, the appointing authority chose not to renew their terms.	Not-resolved		
11	Revocation of the appointment of the Board member	The principal has notified the appointing authority of the need to replace the inactive board member	Resolved	2024/2025.	Principal

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Appendix II: Inter Entity Confirmation Letter



MINISTRY OF EDUCATION

STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL EDUCATION AND TRAINING

Mathenge Technical Training Institute
P O Box 665 -10106
OTHAYA

The Ministry of Education State Department for Technical, Vocational Education and Training wishes to confirm the amounts disbursed to you as at 30 June 2025 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate them in column E in the table below. Then please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Mathenge Technical Training Institute as at 30 June 2025									
Amounts disbursed by Ministry of Education State Department for Technical, Vocational Education and Training as at 30 June 2025									
Reference No	Date Disbursed	Recurrent Grants	Development	Capitation (Kshs)	Scholarship	Amount Received by	Differences	Total Recurrent	Total Development
BULK24264646P3	20-Sep-24				1,572,222.60	1,572,222.60	Nil	41,244,182.30	
BULK242648FPX	20-Sep-24				1,491,595.80	1,491,595.80	Nil		
BULK2426422QGC	20-Sep-24				3,332,574.40	3,332,574.40	Nil		
BULK24264Y687J	20-Sep-24				114,221.30	114,221.30	Nil		
Q1 BULK242640KLMC	20-Sep-24			6,724,000.00		6,724,000.00	Nil		
BULK2426767R5X	23-Sep-24				1,619,254.80	1,619,254.80	Nil		
Q4 BULK24267H3W32	23-Sep-24			7,929,000.00		7,929,000.00	Nil		
BULK2426867155	24-Sep-24				40,313.40	40,313.40	Nil		
Q2 BULK250458Z6PX	14-Feb-25			18,421,000.00		18,421,000.00	Nil		
Total				33,074,000.00	8,170,182.30	41,244,182.30			

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

Head of Accounts Department

Name
CPA. Charles Macharia Mbogo
Finance Officer

Signature:



Date: 16th September, 2025

Yours sincerely

Singed by: Mr. Benson M. Kinyua Head of Accounting Unit

Copy to: Director General, Accounting Services and Quality Assurance, the National Treasury

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Appendix III – Bank Reconciliation

i) Account No. 1101539992

MONTH ENDING 30TH JUNE, 2025		BANK STATEMENT RECONCILIATION								
as at 30TH JUNE, 2025 Station NYERI SOUTH SUB-COUNTY		REPUBLIC OF KENYA BANK STATEMENT RECONCILIATION								
<p>Balance as per Bank Statement</p> <p>Less-</p> <p>1. Unpresented Cheques</p> <p>2. Receipts in bank statement unrecorded in cash book</p> <p>Add-</p> <p>3. Uncleared cheques</p> <p>4. Receipts in Cash Book not recorded in Bank Statement (uncredited)</p> <p>5. Bank Charges in Bank Statement not recorded in Cash Book</p> <p style="text-align: right;">Bank Balance as per Cash Book ✓</p>	<p style="font-size: 2em; color: blue;">A/c 1101539992</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">SH</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">7,683,418</td> </tr> <tr> <td style="text-align: right;">(1,079,267)</td> </tr> <tr> <td style="text-align: right;">(141,370)</td> </tr> <tr> <td style="text-align: right;">10,000</td> </tr> <tr> <td style="text-align: right;">328,000</td> </tr> <tr> <td style="text-align: right;">852</td> </tr> <tr> <td style="text-align: right; border-top: 1px solid black;">6,801,632</td> </tr> </tbody> </table>	SH	7,683,418	(1,079,267)	(141,370)	10,000	328,000	852	6,801,632	
SH										
7,683,418										
(1,079,267)										
(141,370)										
10,000										
328,000										
852										
6,801,632										
<p>Prepared by: Phyllis W. Gichuki Designation: Accountant</p> <p>sign: _____</p>		Date: 4/7/25								
<p>Checked by: Charles Mbogo Designation: Finance Officer</p> <p>sign: _____</p>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <p style="margin: 0;">PRINCIPAL</p> <p style="margin: 0;">MATHENGE TECH. TRAINING INSTITUTE</p> <p style="margin: 0;">P. O. Box 665 - 10106</p> <p style="margin: 0;">OTHAYA</p> </div>	Date: 7/7/2025								
<p>Certified by: Catherine W. King'ori Designation: Principal</p> <p>sign: _____</p>		Date: 7/7/25								

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

1. Unpresented cheques			Transactions dates
Date	Details	Amount (Kshs)	
26/06/2025	CHQ 016143	91,569.0	2025-07-07
26/06/2025	CHQ 016144	272,505.0	2025-07-02
26/06/2025	CHQ 016141	123,195.0	2025-07-04
26/06/2025	CHQ 016152	18,500.0	2025-07-02
26/06/2025	CHQ 016150	9,000.0	2025-07-01
26/06/2025	CHQ 016149	16,000.0	2025-07-03
27/06/2025	CHQ 016156	44,195.0	2025-07-01
27/06/2025	CHA 016157	71,078.0	2025-07-01
27/06/2025	CHQ 016158	309,970.0	2025-07-03
27/06/2025	CHQ 016159	77,530.0	2025-07-03
27/06/2025	CHQ 016160	45,725.0	2025-07-03
Totals		1,079,267.0	

3. Unpaid cheques		
Date	Details	Amount (Kshs)
17/06/2025	CHQ 20556-DISHONoured CHEQUE	10,000.0
Totals		10,000.0

5. Payments in Bank Statement not recorded in Cash Book (Bank Charges)		
Date	Details	Amount
5/6/2025	Transfer Charge	115
17/06/2025	Unpaid Cheque Charges	702
25/06/2025	Transfer Charge	34.5
Totals		851.5

2. Receipts in bank statement unrecorded in cash book (Direct deposits)		
Date	Details	Amount (Kshs)
3/6/2025	TF32DAQ8IC	8,000.00
6/6/2025	TF66RMAN8G	1,000.00
6/6/2025	SZE0LMF05ZU2	10,000.00
7/6/2025	TF77UILME7	5,000.00
9/6/2025	TF9671GHKU	10,000.00
10/6/2025	SZV0LUM1FUH6	2,000.00
10/6/2025	SZB0LUS101PG	5,000.00
11/6/2025	SZ80LWD85GU8	8,000.00
11/6/2025	TFB8FMM51S	2,000.00
12/6/2025	TFC2L0QTME	10,000.00
12/6/2025	SZ10LYQAFXKP	27,800.00
13/06/2025	TFD3QOYGU3	3,000.00
17/06/2025	SZW0L8S2SES6	6,980.00
18/06/2025	TFI9D6DIOZ	10,000.00
27/06/2025	FTR8MSBXYFY	3,320.00
29/06/2025	FT25180GFV11	8,000.00
30/06/2025	TFU0ZZHJV8	11,270.00
30/06/2025	TFU61DK156	5,000.00
30/06/2025	TFU61YEV7Y	5,000.00
Totals		141,370




4. Receipts in Cash Book not yet recorded in Bank Statement (UNCREDITED CHEQUES)			Transactions dates
Dates	Details	Amount	
25/06/2025	CHQ 008158	21,000.00	2025-07-07
25/06/2025	CHQ 019046	6,500.00	2025-07-02
26/06/2025	CHQ 080712	1,500.00	2025-07-04
26/06/2026	CHQ 019226	14,000.00	2025-07-02
26/06/2027	CHQ 060776	5,000.00	2025-07-01
27/06/2025	CHQ 017167	150,000.00	2025-07-03
27/06/2026	CHQ 010722	130,000.00	2025-07-01
Totals		328,000.00	

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Appendix IV – Bank Reconciliation

ii) Account 1103196731

MONTH ENDING 30TH JUNE, 2025		BANK STATEMENT RECONCILIATION									
		REPUBLIC OF KENYA									
		BANK STATEMENT RECONCILIATION									
as at 30TH JUNE, 2025 Station NYERI SOUTH SUB-COUNTY											
Balance as per Bank Statement.	A/C 1103196731	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">SH</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">7,523,211.00</td> <td></td> </tr> <tr> <td style="text-align: right;">2,808.00</td> <td></td> </tr> <tr> <td style="text-align: right; border-top: 1px solid black;">7,526,019.00</td> <td></td> </tr> </tbody> </table>		SH		7,523,211.00		2,808.00		7,526,019.00	
SH											
7,523,211.00											
2,808.00											
7,526,019.00											
<i>Add:</i>											
1. Bank Charges											
Bank Balance as per Cash Book	Development Account										
Prepared by: Phyllis Gtchuhi	Designation: Accountant	Date: 4/7/25									
sign: 											
Checked by: Charles Mbogo	Designation: Finance Officer	Date: 7/7/25									
sign: 											
Certified by: Catherine W. King'at	Designation: Principal	Date: 7/7/25									
sign: 											



1. Bank Charges		
22/11/2024	tax amount due	21
22/11/2024	interim statement charge	105.00
22/11/2024	transfer charge	213.00
7/4/2025	certificate of balance charge	1,065.00
11/4/2025	tax amount due	21.00
11/4/2025	interim statement charge	105.00
4/6/2025	transfer charge	213.00
4/6/2025	certificate of balance charge	1,065.00
Totals		2,808.00

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

Appendix V - Certificate of Bank Balances

i) Account No. 1101539992

1218 CA 41 BRANCHES
CERTIFICATE OF BALANCE

KCB Bank Limited
(Incorporated in Kenya)

CERT2531400013

KCB OTHAYA 10 NOV 2025
.....

Certified that the balance at the CREDIT OF MATHENGE TECHNICAL INSTITUTE NO 2AC
.....

A/C 1101539992
.....

at the close of business on 30 JUN 2025 Was KES
.....

SEVEN MILLION SIX HUNDRED AND EIGHTY THREE THOUSAND FOUR HUNDRED AND SEVENTEEN CENTS FIFTY TWO
.....

KES 7,683,417.52
.....

Examined by
.....

Manager Service Quality & Compliance Branch Manager

For: KCB BANK KENYA LTD.



Branch Manager
OTHAYA

Mathenge Technical Training Institute

Annual report and financial statements for the year ended 30th June 2025

ii) Account 1103196731

1218 CA 41 BRANCHES
CERTIFICATE OF BALANCE

KCB Bank Limited
(Incorporated in Kenya)

CERT2531400014

KCB OTHAYA 10 NOV 2025
.....

Certified that the balance at the CREDIT Of MATHENGE TECHNICAL INSTITUTE NO 3
.....

A/C 1103196731
.....

at the close of business on 30 JUN 2025 Was KES
.....

SEVEN MILLION FIVE HUNDRED AND TWENTY THREE THOUSAND TWO HUNDRED AND ELEVEN
.....

KES 7,523,211.00
.....

Examined by

.....
.....
.....

For: KCB BANK KENYA LTD.

Branch Manager

..... OTHAYA

Manager Service Quality & Compliance Branch Manager

Mathenge Technical Training InstituteAnnual report and financial statements for the year ended 30th June 2025**Appendix VI – Surrender of Imprests**

MATHENGE TECHNICAL TRAINING INSTITUTE UNSURRENDERED IMPREST AS AT 30TH JUNE 2025					
DATE	IMPREST REF	PAYEE NAMES	AMOUNT	SURRENDER AMOUNT	SURRENDER DATE
09 Jun 2025	IMP163	Nicholas Njeru	18,500.00	18,500.00	1st July 2025
09 Jun 2025	IMP244	Hirary Weru	10,000.00	10,000.00	1st July 2025
09 Jun 2025	IMP184	Maureen Nyaguthii	5,000.00	5,000.00	1st July 2025
09 Jun 2025	IMP392	Selina Wanyonyi	56,400.00	56,400.00	1st July 2025
10 Jun 2025	IMP396	Mary Maina Gori	7,600.00	7,600.00	17th Oct 2025
11 Jun 2025	IMP404	Anthony Muita	26,300.00	26,300.00	1st July 2025
13 Jun 2025	IMP409	Augustine Kamakiru Maina	6,200.00	6,200.00	3rd July 2025
16 Jun 2025	IMP416	Peter Musyoka	55,380.00	55,380.00	14th July 2025
18 Jun 2025	IMP419	Miriam Kamiru	10,400.00	10,400.00	24th July 2025
23 Jun 2025	IMP427	Esther Wangechi Kagika	7,200.00	7,200.00	3rd July 2025
25 Jun 2025	IMP437	Isabella Nyasaina	16,000.00	16,000.00	22nd July 2025
27 June 2025	IMP442	Stanley Kitheka	7,200.00	7,200.00	1st July 2025
27 June 2025	IMP443	Reginard Kagecha	15,500.00	15,500.00	3rd July 2025
27 June 2025	IMP446	Emily Gathigia	5,000.00	5,000.00	22nd July 2025
30 June 2025	IMP449	Alex Thuku	44,400.00	44,400.00	10th July 2025
30 June 2025	IMP451	Victor Kamau	11,000.00	11,000.00	22nd July 2025
Totals			302,265.00		

CONFIMED BY:

...  ...John N. Njagi
Board Survey

CONFIMED BY:



...  ...Elizabeth Mwangi
Board Survey Member

CONFIMED BY:

...  ...CPA. Charles Macharia
Finance Officer

MINISTRY OF EDUCATION
STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL, EDUCATION AND TRAINING
MATHENGE TECHNICAL TRAINING INSTITUTE

P. O. Box 665 – 10106, OTHAYA, KENYA
Tel: +254 725 737 174 or +254 724 626 334
Email: info@mathengeti.ac.ke
mathengetechnicalinstitute@gmail.com
Website: www.mathengeti.ac.ke



Our Ref: MTTT/PF/C.M.M./VOL.1

Date: 24th June 2025

Mr. Charles Macharia Mbogo
P/F No. 047
Finance Officer

Dear Mr. Macharia,

RE: APPOINTMENT AS A MEMBER OF THE BOARD SURVEY

You have been appointed as a member of the Board Survey to examine and verify the cash on hand balances as at 30th June 2025.

Thank you.




CATHERINE W. KING'ORI, HSC
PRINCIPAL




EXCEL IN SCIENTIFIC AND TECHNOLOGICAL INNOVATIONS
Mathenge TTI is ISO 9001:2015 Certified & ISO 27001:2013 Certified




Mathenge Technical Training Institute
Annual report and financial statements for the year ended 30th June 2025

MINISTRY OF EDUCATION
STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL, EDUCATION AND TRAINING
MATHENGE TECHNICAL TRAINING INSTITUTE



P. O. Box 665 – 10106, OTHAYA, KENYA
Tel. +254 725 737 174 or +254 724 626 334
Email: info@mathengeiti.ac.ke
mathengetechnicalinstitute@gmail.com
Website: www.mathengeiti.ac.ke



Our Ref: MTTI/PF/E.M./VOL.1

Date: 24th June 2025

M/s Elizabeth Mwangi
P.F No. 1995088412
Deputy Principal Academics

Dear Ms. Mwangi,

RE: APPOINTMENT AS A MEMBER OF THE BOARD SURVEY

You have been appointed as a member of the Board Survey to examine and verify the cash on hand balances as at 30th June 2025.

Thank you.




CATHERINE W. KING'ORL, HSC
PRINCIPAL



Mathenge TTI is ISO 9001:2015 Certified & ISO 27001:2013 Certified

EXCEL IN SCIENTIFIC AND TECHNOLOGICAL INNOVATIONS





MATHENGE TECHNICAL TRAINING INSTITUTE

MINISTRY OF EDUCATION
STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL, EDUCATION AND TRAINING

P. O. Box 665 – 10106, OTHAYA, KENYA
Tel. +254 725 737 174 or +254 724 626 334
Email: info@mathengeri.ac.ke
mathengetechnicalinstitute@gmail.com
Website: www.mathengeri.ac.ke



Our Ref: MTTT/PP/J.N.N./VOL.1

Date: 24th June 2025

Mr. John N. Njagi
P/F No. 1992056990
Deputy Principal Adm.

Dear Mr. Njagi,

RE: APPOINTMENT AS A MEMBER OF THE BOARD SURVEY

You have been appointed as a member of the Board Survey to examine and verify the cash on hand balances as at 30th June 2025.

Thank you.

PRINCIPAL
MATHENGE TECH TRAINING INSTITUTE
P. O. Box 665 - 0106
OTHAYA

CATHERINE W. KING'ORI, HSC
PRINCIPAL



Mathenge TTI is ISO 9001:2015 Certified & ISO 27001:2013 Certified

EXCEL IN SCIENTIFIC AND TECHNOLOGICAL INNOVATIONS



MINISTRY OF EDUCATION
 STATE DEPARTMENT FOR TECHNICAL, VOCATIONAL, EDUCATION AND TRAINING
MATHENGE TECHNICAL TRAINING INSTITUTE



P. O. Box 665 – 10106, OTHAYA, KENYA
 Tel. +254 725 737 174 or +254 724 626 334
 Email: info@mathengetti.ac.ke
mathengetechnicalinstitute@gmail.com
 Website: www.mathengetti.ac.ke



CASH SURVEY AS AT 30TH JUNE 2025

A. CASH SURVEY AS AT 30TH JUNE 2025

DENOMINATION		Ksh.	Ksh.
i NOTES			
1000		21,000.00	
500		2,500.00	
200		3,000.00	
100		3,300.00	
50		200.00	30,000.00
ii COINS			
40/=		NIL	
20/=		20.00	
10/=		10.00	
5/=		-	
1/=		-	30.00
TOTAL CASH		30,030.00	

B UNSURRENDERED IMPREST AS AT 30TH JUNE 2025

DATE	IMPREST REF.	PAYEE NAMES	AMOUNT
14 February 2025	IMP184	Maureen Nyaguthii	5,000.00
27 May 2025	IMP244	Hirary Weru	10,000.00
30 May 2025	IMP163	Nicholas Njeru	18,500.00
09 Jun 2025	IMP392	Selina Wanyonyi	56,400.00
10 Jun 2025	IMP396	Mary Maina Gori	7,600.00
11 Jun 2025	IMP404	Anthony Muita	26,300.00
13 Jun 2025	IMP409	Augustine Kamakiru Main	6,200.00
16 Jun 2025	IMP416	Peter Musyoka	55,380.00
18 Jun 2025	IMP419	Miriam Kamiru	10,400.00
23 Jun 2025	IMP427	Esther Wangechi Kagika	7,200.00
23 Jun 2025	IMP428	Michael Ndungu Mwangi	1,000.00
25 Jun 2025	IMP437	Isabella Nyasaina	16,000.00
27 June 2025	IMP442	Stanley Kitheka	7,200.00
27 June 2025	IMP443	Reginard Kagecha	15,500.00
27 June 2025	IMP446	Emily Gathigia	5,000.00
30 June 2025	IMP449	Alex Thuku	44,400.00
30 June 2025	IMP451	Victor Kamau	11,000.00
Totals			302,265.00

CONFIRMED BY:

[Signature]
 John N. Njagi
 Board Survey Member

CONFIRMED BY:

[Signature]
 Elizabeth Mwangi
 Board Survey Member

CONFIRMED BY:

[Signature]
 CPA. Charles Macharia
 Finance Officer



EXCEL IN SCIENTIFIC AND TECHNOLOGICAL INNOVATIONS

Mathenge TTI is ISO 9001:2015 Certified