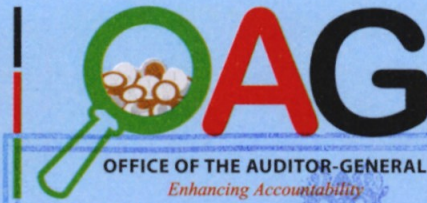


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 MAR 2026

DAY.
TUESDAY

TABLED
BY

Hon. Naomi Wago, MP
Deputy majority whip

CLERK-AT
THE-TABLE:

Mado Atabo

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

AHMED SHAHAME MWIDANI TECHNICAL
TRAINING INSTITUTE

FOR THE YEAR ENDED
30 JUNE, 2025



01 DEC 2025



AHMED SHAHAME MWIDANI 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)

Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

ASMTTI	Ahmed Shahame Mwidani Technical Training Institute
ATUPA	Association of Technical Universities and Polytechnics in Africa.
BOG	Board of Governors
CBET	Competency-Based Education and Training
CDACC	Curriculum Development, Assessment and Certification Council.
CPA-K	Certified Public Accountant of Kenya
IPSAS	International Public Sector Accounting Standards
KASNEB	Kenya Accountants and Secretarial National Examination Board.
KATTI	Kenya Association of Technical Training Institute.
KICD	Kenya Institute of Curriculum Development.
KNEC	Kenya National Examination Council.
NG-CDF	National Government- Constituency Development Funds
NITA	National Industrial Training Authority.
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
PSC	Public Service Commission
TTI	Technical Training Institute
TVET	Technical and Vocational Education and Training.

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Institute Information and Management

(a) Background information

ASMTTI was incorporated under the TVET Act 2013 Act on 21/12/2016. The Institute is domiciled in Kenya. The institute is under the Ministry of Education TVET.

ASAMTTI is managed by BOG whose members are appointed by the Government to represent the community, industrialists, professionals and various government departments. The Principal serves as the secretary of the board. The institution operates under the TVET Act and other relevant laws. It offers curriculum Developed by the KICD, KASNEB, CDACC and NITA, it is Mandated to offer Artisan, Craft, and Diploma levels. All courses are incorporated in training and Industrial Attachment to prepare the trainees for formal and self-Employment. The Examination Board are KNEC, KASNEB, NITA, and CDACC. ASMTTI is a member of KATTI, ATUPA among Others.

ASMTTI has seen a gradual growth in terms of courses Offered and Students enrolment from initial population of 5 students and 4 teaching staff in 2017 to the current 600 students and 42 teaching staff, (PSC teachers 33 and BOG Teachers 9) respectively

(b) Principal Activities

The principal activity of ASMTTI is to offer TVET programmes in line with industry or market needs both on long term and short-term basis.

Vision.

To be a World class centre of excellence in technical and vocational training.

Mission.

To produce highly skilled hands-on middle level man-power for the global technical industry.

Core Functions.

To train skill-oriented workforce that is suitable for further professional development through quality competency based technical and vocational education and training programs responsive to national and global industrial productivity.

Core Values

At ASMTTI we are committed to the following values:

- Honesty, integrity and accountability
- Quality leadership, innovativeness and creativity
- Professionalism.

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(c) Key Management

ASMTTI daily management is carried out under the following key division:

- Board of Governors
- Chief Principal
- Deputy Principal Academic
- Deputy Principal Administration and Finance
- Registrar
- Finance
- Procurement

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Chief Principal	Hafsa Seif
2.	Deputy Principal Finance	Alphonse Musila
3	Deputy Principal Academics	Esther Mbutia
4	Registrar (s)	Linus Mughambi
5	Dean of students	Chai Ngua
6	Head of Finance	Elisha Mrimi
7	Head of Procurement	Judy Osur

(e) Fiduciary Oversight Arrangements

Ahmed Shahame Mwidani TTI maintains robust fiduciary oversight through the following key arrangements:

- **Audit and Risk Committee Activities**
Oversees internal controls, risk management frameworks, and compliance with financial regulations. Conducts periodic audits and reviews risk mitigation strategies.
- **Finance and Operations Committee Activities**
Manages budgeting, financial planning, procurement, and infrastructure development. Ensures efficient allocation and utilization of resources.
- **Academic Committee Activities**
Monitors academic standards, and quality assurance. Reviews faculty performance and student outcomes.

Key Institute Information and Management (Continued)

(f) Institute Headquarters

P.O. Box 93800-80102
Airport Road, Changanwe
Mombasa, Kenya

(g) Institute Contacts

Telephone: (254) 746748481/739209337

E-mail: asmwidanitvc@gmail.com
: info@ahmedmwidanitvc.ac.ke
Website: www.ahmedmwidanitvc.ac.ke

(h) Institute Bankers

Kenya Commercial Bank
Haile Selassie Avenue
P.O. Box 90254, Mombasa
City/ Town: Mombasa 01102

(i) Institute Bankers

Equity Bank
Changanwe Branch
P.O. Box 92222-80102
Chandarana Building
Magongo Road
Email. Info@equitybank.co.ke

(j) Independent Auditors

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


Ahmed Shahame Mwidani Technical Training Institute
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Key Institute Information and Management (Continued)




(k) Principal Legal Adviser

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





3.The Board of Governors

SN.	Member/ Director	Details
1.	 <p>MWINYI MVITA ALI (Bog Chair under the board started from 12.02.2024)</p>	<p>Mwinyi Mvita Ali was born on 15th June 1964. He is currently the chairperson of the Board of Governor of the Institute.</p> <p>Highest Academic Qualification He has Master of Business Administration (Accounting and Finance) from Mount Kenya University (2011-2013)</p> <p>Professional qualification</p> <ol style="list-style-type: none"> i. CPA (K) ii. Masters of Business administration (Accounting and Finance) Mount Kenya University iii. Bachelor of Commerce (Accounting) University of Nairobi. <p>Membership</p> <ol style="list-style-type: none"> i. Institute of certified public accountant of Kenya ii. Institute of internal auditors of Kenya <p>Working Experience</p> <ol style="list-style-type: none"> i. Finance Officer Grade 15 – Pwani University Jan 2024 ii. Internal Auditor Grade 13- Pwani University July 2013 to July 2014 iii. Internal Auditor Grade 12- Pwani University November 2009 to July 2013 iv. Finance Director Grade 13 – Ruman Limited February 2002 to November 2009. v. Finance and Operations Director Grade 13- Panal Freighters May 1994 to January 2002 vi. Head Accountant Grade 13 - ABN AMRO Bank Mombasa February 1989 to April 1994



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<p>2.</p>	 <p>PETER MWANGI (County Director)</p>	<p>Mr. Peter Mwangi was born in 1966. He is currently the county director TVET Mombasa County and by virtues of his office he is a Board member. He is a Holder of Masters in Education with an experience of over 30 years.</p>
<p>3.</p>	 <p>ANTHONY MARK LANDI MZIGO (Board Member from 12.02.2024)</p>	<p>Mr. Anthony Mzigo was born in 1983. He is currently a Board member of Ahmed S Mwidani TVC. In addition, he is the chairman for finance & HR committee. He is a holder of Bachelor of Business Management (Marketing option), from Moi University and currently he is a manager in a local bank, with a working experience in banking and finance for fifteen(15) years. He also holds a Higher Diploma in Information Systems (IMIS), and an MBA in Strategic Management from JKUAT.</p>
<p>4.</p>	 <p>Abderehman Abubakar Mohamed (Second Term Board Member begins from 12.02.2024)</p>	<p>Mr. Abderehman Abubakar Mohamed was born in 1987. He is currently a member of Board of Governors.</p> <p>Highest Academic qualification He is a holder of Bachelor of Engineering in Applied Mechanical (Agricultural and Biosystems Engineering) from Moi University (2007- 2012).</p> <p>Work experience</p> <ul style="list-style-type: none"> i. Branch Manager- Davis & Shirtliff Ltd Mombasa from 2021 to date ii. Field Service Manager- Davis & Shirtliff Ltd Mombasa from 2019 to 2021 iii. Water treatment sales manager- Davis & Shirtliff Ltd Mombasa from 2016 to 2019 iv. Sales Engineer- Davis & Shirtliff Ltd Mombasa from 2014 to 2016




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		<p>v. QA/QC Site Engineer- H.Young & CO (EA) Ltd from 2013 to 2014 QA/QC Assistant Engineer- CIVICON Ltd from 2012 to 2013</p>
5.	 <p>Josephine Awour Miyonga (Second Term Board Member begins from 12.02.2024)</p>	<p>Dr. Josephine Awour Miyonga was born in 1964. She is currently a Board member of Ahmed S Mwidani TTI. She is a holder of PhD in Business administration. She is a lecturer in the business Department at Pwani university</p>
6.	 <p>ERICK DOMBO MUNANGWE (Governor Representative)</p>	<p>Mr. Erick Munangwe was born in 1975.He represents the office of the Governor of Mombasa.He a holder of Higher Diploma in Technical Education (Education Management). He also trained Technical teacher specialized in Mechanical engineering (production). Has a work experience of 17 years in teaching and Technical Education field. Currently serving as Vocational Training Officer in County Government of Mombasa</p>
7.	 <p>GRACE KAHASO DOGO (Board Member from 12.02.2024)</p>	<p>Md. Grace Kahaso Dogo was born in 1954. She is currently a member of Board of Governors. She is a holder of MSc. In business Administration pursued in Moi University. She is a private Consultant, and part time lecturer.</p>
8.	 <p>STEPHEN MWENDWA(Board Member from 12.02.2024)</p>	<p>Mr. Stephen Mwendwa was born in 1978. He is currently a member of Board of Governors. He is a holder of Bsc. Technology in civil Engineering with an experience of sixteen (16) years.</p>




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<p>9.</p>	 <p>GEORGE Githinji Kiama (Board Member from 12.02.2024)</p>	<p>Mr. George Githinji Kiama was born in 1972. He is currently a member of Board of Governors.</p> <p>Highest Academic Qualification He is a holder of Bachelor Of Science</p> <p>Work Experience</p> <ol style="list-style-type: none"> i. Country Business Development Manager (Kenya) khrishna chemist limited from August 2014 to date ii. Deputy Business Development Manager (Kenya) Njimia Pharmaceutical Ltd from June 2010 to June 2014 iii. Regional Manager (Nairobi, Rift valley Nyanza, Coast and Mount Kenya) from 2009 to 2010 iv. Area Sales Manager- Armicon Pharmaceutical Ltd from 2004 to 2009 <p>Medical Representative- Armicon Pharmaceutical Ltd from 2001 to 2004</p>
<p>10.</p>	 <p>HAFSA SEIF MOHAMED Bachelor's In Business Management From Moi University. Diploma In Technical Education</p>	<p>Mrs. Hafsa Seif Mohammed Principal Mrs. Hafsa Seif Mohammed is currently the chief Principal Ahmed Shahame Mwidani TT. She served as Principal of Godoma Technical Training Institute since August 2015 to December 2024. She holds a bachelor's in business management from Moi University, a Diploma in technical education from Kenya Teachers College and typist certificate from Government Secretarial College. Prior to her appointment, She served as Department head and registrar at Kenya Coast National Polytechnic. She has also worked at Rift Valley Technical Training Institute and office of the President. To date he has 28 years of working experience and was born in 1966.</p>

4. Key Management Team

SN.	Member/ Director	Details
1.	 <p>Hafsa Seif Mohamed Bachelor's In Business Management From Moi University Diploma In Technical Education</p>	<p>Chief Principal/ Secretary BOG</p>
2.	 <p>Esther Mbutia Bsc Food Science and Technology</p>	<p>Deputy Principal Academic</p>
3.	 <p>Alphonse Musila (Bachelor of Education in Technology Education) (Power Mechanics Technology option)</p>	<p>Deputy Principal Administration</p>

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4.	 <p>Linus Mugambi Mutegi Bachelor of science in Tourism Management, Diploma In Technical Education</p>	Registrar
5.	 <p><i>Elisha Kahindi Mrimi</i> CPA-K ICPAK No 34384</p>	Finance Officer
6.	 <p>Judy A. Osur (Diploma In Procurement)</p>	Procurement

5. Chairman's Statement

The financial year 2024/2025 has been one of transformative growth and purposeful advancement. Building on our founding mission to equip young professionals with market-driven technical skills, we have deepened industry linkages, strengthened academic delivery, and pursued strategic investments in infrastructure. The accomplishments recorded this year reflect collective dedication from our governing body, management team, faculty, students, and external partners like CDF Changamwe. At the same time, we confronted challenges that have sharpened our resolve to innovate and adapt.

Highlights of Key Activities

- **Enrolment Growth and Student Engagement**
We welcomed 1,051 new trainees, a 143.87 percent increase over the previous year,
- **Infrastructure and Learning Resources.**
We commissioned a twin workshop, Jitume Lab and high-speed internet in the Financial year.
- **Industry Partnerships and Student Placements**
Formal collaborations with leading Companies have enabled structured attachment and internship placements for over 150 and 20 respectively. These industry attachments have already translated into a 10 percent employment rate for graduates within a year.

Successes Consolidated

- **Academic Performance**
Our overall examination pass rate improved from 57.33 percent to 76 percent, reflecting strengthened teaching methodologies and targeted remedial support.
- **Revenue Diversification**
Short-course offerings in digital literacy, solar panel installation welding and fabrication, refrigeration and air condition, wiring, Driving course, and basic accounting generated supplementary revenue of KES 5.8 million,
- **Community Outreach**
Through our community skills-transfer initiative, over 200 local artisans received 85% scholarship from area member of parliament through the institution.

Challenges Faced

- **Funding Constraints**
Delays in government grant disbursements created cash-flow pressures, affecting timely procurement of workshop consumables and the scheduling of practical assessments.
- **Staffing Gaps**
Competition for qualified trainers in niche technical areas resulted in temporary gaps in our curriculum delivery, particularly in advanced CNC machining and robotics.
- **Infrastructure Bottlenecks.**
The institute face a challenge of expansion due to space limit.

In closing, I extend profound gratitude to my fellow board members, our committed staff, supportive area member of parliament, and the vibrant student body. Together, we have laid a

Ahmed Shahame Mwidani Technical Training Institute
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solid foundation for sustainable growth and impact. As we embark on 2025/2026, I am confident that Ahmed Shahame Mwidani TTI will continue to raise the bar in technical training and community service.

Signed,

Ali Mvita Ali



Chairman, Governing Body

01st Dec 2025

6. Report of the Chief Principal

1. Introduction

In the year under review, our institution has consolidated gains made over the past five years and pursued strategic initiatives aligned with our vision of academic excellence, fiscal responsibility, and community engagement. This report provides a detailed account of operational highlights, governance matters, and a high-level overview of our financial performance.

2. Academic and Institutional Developments

Our key achievements in teaching, learning, and research include:

- Expansion of new academic programs in Applied Science, plumbing and carpentry, attracting 144% more applicants compared to the previous year.
- Strengthening partnerships with industry stakeholders to offer attachment placements, and enhancing graduate employability and practical skill acquisition.

3. Governance, Compliance, and Quality Assurance

We have upheld rigorous governance standards by:

- Convening four full Board meetings of Governors and one meeting for finance and HR committee to review policy reforms, accreditation requirements, and risk management frameworks.

Full Board Meeting

Quarter	Meeting Date	Meeting Type	Member Invited	Attended	Attendance Rate
Q1	26/09/2024	Full board(ordinary)	10	9	90%
Q2	30/10/2024	Full board(ordinary)	10	9	90%
Q3	10/02/2025	Full board(ordinary)	10	9	90%
Q4	30/04/2025	Full board(ordinary)	10	10	100%

Finance and HR Committee

Quarter	Meeting Date	Meeting Type	Member Invited	Attended	Attendance Rate
Q1	02/09/2024	Committee Meeting	3	3	100%

- ASMTTI Submit all statutory returns to regulatory authorities, including the Nita levies.

4. Financial Performance Overview

The following table summarizes our institution's high-level financial results for the fiscal year ending June 30, 2025:

Category	Amount (KSh)	Variance vs. Prior Year	Remarks
Total Revenue realized	66,644,397	+183 %	Driven by trainees increases
Operating Expenditure incurred	42,744,705	+39 %	Purchase of furniture to match the number of trainees and other activities.
Operating Surplus	23,899,692	+294 %	Efficiency in cost controls
Capital Expenditure	4,633,175,	+190 %	ERP system, furniture and equipment increase
Supplier balances (Liabilities)	5,964,991	-2 %	Debt repayment plan in progress

5. Key Challenges and Mitigation Strategies

During the year, we encountered the following challenges and responded as follows:

- Liquidity pressures in Q4 due to delayed capitation disbursements
- Mitigation: Negotiated interim funding lines with area member of parliament

6. Outlook and Strategic Priorities

Looking ahead, our strategic priorities for the coming year include:

1. Deepening digital transformation through AI-enabled learning analytics.
2. Diversifying revenue streams via increasing short courses.
3. Strengthening alumni engagement to boost mentorship.

Respectfully submitted,

H. Seif



Chief Principal

Date: Dec 01, 2025



7. Statement of Performance against Predetermined Objectives

In accordance with Section 81(2)(f) of the Public Finance Management Act, 2012, this statement outlines the Institute’s performance against its predetermined objectives for the financial year FY 2024/25.

Strategic Framework

The Institute’s Strategic Plan for the period FY 2021/22 – FY 2025/26/27 is anchored on three strategic pillars, each designed to drive institutional growth, service delivery, and financial sustainability. These pillars are:

- Pillar 1: Academic Excellence and Program Expansion
- Pillar 2: Financial Sustainability and Resource Mobilization
- Pillar 3: Governance, Compliance, and Institutional Capacity

Annual work plans are derived from these pillars and performance is assessed quarterly by the Board. For FY 2024/25, the Institute successfully met its performance targets across all three pillars, as summarized below.

Performance Summary Table

Strategic Pillar	Objective	Key Performance Indicators (KPIs)	Activities	Achievements
Pillar 1: Academic Excellence and Program Expansion	Enhance access to quality education	- Gross enrollment increased - CBET courses offered - Course completion rate increased - Examination pass rate increased	- Marketing and outreach - Curriculum review and development - Timely assessment and syllabus coverage. - Proper follow up of Academic Policy and guidelines	- Enrollment increased by 143.87% (from 431 to 1,051 students) - CBET Programs expanded from 25 to 29 - Timely registration for examination - Examination pass rate increased to 77%
Pillar 2: Financial Sustainability and Resource Mobilization	Strengthen revenue streams and optimize expenditure	- Revenue from other Income Generating Activity (IGA)	- Income-generating Activities - Cost control measures	- Other income increased by 929.10% Tuition revenue rose by 386.87% - Surplus

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		- Other income - Surplus/deficit margin	- Fee structure reviewed	improved by 293.83%
Pillar 3: Governance, Compliance, and Institutional Capacity	Enhance institutional governance and operational efficiency	- Timely reporting - Compliance audits - ERP system uptime	- Quarterly board evaluations - ERP upgrades - Staff training	- 100% compliance with reporting timelines - ERP uptime maintained at 98% - Staff capacity enhanced through 5 training sessions

Alignment with Performance Contracts

The Institute's achievements are directly tied to performance contracts signed by Cabinet Secretary (CS) and Chairman of the board. These contracts aligned with strategic objectives and are reviewed quarterly. The performance contracting framework has fostered accountability, improved service delivery, and ensured alignment with national development goals.

8. Corporate Governance Statement

Ahmed Shahame Mwidani Technical Training Institute (ASMTTI) is governed in accordance with the Code of Governance for State Corporations.

Appointment and Composition of the Board

ASMTTI's Board of Governors comprises eight members appointed by the Cabinet Secretary, State Department for Technical and Vocational Education and Training and one is by virtue of his office of county director and the Principal as the secretary of the Board. Removal of a governor is only affected upon evidence of gross misconduct, incapacity or failure to meet Mwongozo performance standards.

- Size, Diversity and Demographics
 - Total members: 10 (7 male, 3 female)
 - Expertise: engineering, finance, education and community development
 - Age range: 30 to 65 years.

Roles and Functions of the Board

The Board provides strategic leadership and ensures accountability through:

- Approval and oversight of the Institute's Strategic and Annual Work Plans (performance contracting)
- Monitoring risk management, internal controls and audit recommendations
- Ratification of major procurement, capital investments and partnership agreements
- Ensuring compliance with legal, financial and governance standards

Induction, Training and Development

To strengthen governance capability, ASMTTI delivered a structured capacity-building programme:

Board Meetings and Attendance

Committee	Frequency	Meetings Held	Average Attendance
Full Board	Quarterly	4	100%
Audit Committee	Quarterly	0	0%
Finance & HR Committee	Quarterly	1	25%

Conflict of Interest Policy

All Board of governors submit declarations of interest on appointment.

- The affected member recuses themselves from decision-making
- Transactions involving related parties are reviewed by the Audit Committee
- Records of declarations and recusals are maintained by the Secretary to the Board

Board Remuneration

Remuneration is in line with Ministry of Education (TVET) guidelines circulars:

- Sitting allowances are paid as per the Government circular dated 12th December 2024

Communication Policy

The Institute maintains transparent stakeholder engagement through:

- Quarterly performance briefs

9. Management Discussion and Analysis

1. Operational and Financial Performance Overview

During the financial year 2024/25, ASMTTI continued its trajectory of growth and institutional strengthening, marked by increased student enrollment, expanded program offerings, and improved financial discipline.

Key Highlights:

Indicator	FY 2023/24	FY 2024/25	% Change
Total Enrollment	431 students	1,051 students	+143.85%
Number of Programs Offered	25	29	+16%
Revenue from Tuition & Fees (KES)	13,234,610	58,366,338	+341%
Other Income	217,198	2,234,883	+928.77%
Government Capitation (KES)	9,512,560	6,043,176	-36.47%
Expenditure (KES)	31,287,830	42,744,705	+36.57%
Surplus/(Deficit) (KES)	5,842,091	23,899,692	+309.21%

2. Key Projects and Investment Decisions

ASMTTI undertook several strategic initiatives aimed at enhancing training quality and institutional infrastructure:

a. Infrastructure Development

- Completion of the new twin workshop (KES 11M) fully funded by area member of parliament

b. Academic Expansion

- Launch of 3 new Artisan (Level 4) programs: Fashion and Design Level 4, Electrical Technician Level 4, and Automotive technician level 4.
- Introduction of CBET Level 5 & 6 in Fashion and Design in line with CDACC standards.

c. Digital Transformation

- Full integration of ERP for finance, admissions, and student records.
- Pilot rollout of manual attendance tracking for trainees.

3. Statutory Compliance

ASMTTI remained compliant with all statutory obligations, including:

Requirement	Status
KRA Tax Remittances	Fully Compliant
NSSF & NHIF Contributions	Up-to-date
Auditor-General Certification	Qualified Opinion for FY 2023/24
TVET Authority Accreditation	Renewed 2025
Nita Levy Compliance	Fully Compliant

7. Major Risks and Mitigation Strategies

Risk Category	Description	Mitigation Measures
Funding Volatility	Delays in government capitation disbursement	Diversified revenue streams short courses, grants
Infrastructure Strain	Increased enrollment stressing existing facilities	Phased expansion and hostel partnerships
Cybersecurity Threats	Vulnerability due to ERP and online systems	Staff training, regular review and change of passwords

5. Material Arrears and Financial Obligations

As of 30th June 2025, ASMTTI had no material arrears in statutory obligations. However, the following financial obligations remain:

Obligation Type	Amount (KES)	Status
Pending bills	5,964,991	Scheduled Q1 and Q2 FY 2025/26

6. Other Relevant Information

- ASMTTI was recognized by the Kenya Association of Technical Training Institutions (KATTI) as a Centre of excellence in Mechatronics.
- The institute participated in the national TVET innovation fair, winning several awards in different department.
- Alumni employment tracking shows 15% of graduates secured employment or self-employment within 12 months.

Conclusion

The 2024/25 financial year marked a period of robust growth, and institutional maturity for ASMTTI. Management remains committed to continuous improvement, and delivering high-quality technical education aligned with Kenya's Vision 2030 and TVET reforms.

10. Environmental and Sustainability Reporting Statement

Ahmed Shahame Mwidani technical training institute engages in social responsibility to facilitate its mission achievement.

Sustainability strategy and profile

The institute management has embarked on strategies aiming at improving revenue streams which is critical in day-to-day operations.

These include:

- a) More students' enrolment.
- b) Strengthen and broaden production units.
- c) Introduce cost utility measures by utilizing the institute solar panels currently being used for pumping water.
- d) Ensuring to enter into partnerships with the industry and other donors for infrastructure expansion

Environmental performance

In responding to environmental protection, the college is;

- a) Currently in the process of coming up with an environmental policy
- b) Greening the environment by planting trees (More fruits trees) to act as carbon sink
- c) Using green energy by installing energy saving bulbs.
- d) Using waste bin at strategic points at the compound
- e) Using solar pump for pumping water from a borehole.

Market place practices-

- a) The institution ensuring to maintain good business practices by:
Being transparent and accepting accountability in order to request orders from suppliers with acceptable lead time and without charges
The organization maintains good business practices through fairness, respect for others, keeping promise, law abiding and integrity.
- b) The institution is committing to maintain ethical marketing practices by:
 - a. Maximising benefits and minimising risks
 - b. Committing to sustainability and human rights
 - c. Being transparent
 - d. Protecting consumer data and privacy
 - e. Not making false comparison
- c) The institution is putting efforts to safeguard consumer rights and interests by:
 - a. Protect them from hazard to their health and safety
 - b. Availability of effective consumer redress.
 - c. Freedom to form group or union to present their views in decision making processes affecting them.

Environmental and Sustainability Reporting Statement (Continued)

Corporate Social Responsibility / Community Engagements

- The institute has actively participated in forums organised by the surrounding community.
- Sensitisation meetings on opportunities available at the institute have been held in the college ground courtesy of the NG-CDF office.
- Two of the college support staff (cleaners) are from the local community. This has ensured good neighbourliness with the surrounding community.
- The institute is looking forward in community clean-up activities to sensitize on importance of waste management

11. Report of the Board of Governors

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

Principal activities

The core mandate of the college is to provide training in industry relevant employable technical and innovative skills for gainful employment and job creation through self-employment

Results

The results of the Institute for the year ended June 30, 2025 is set out on page 1.

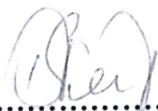
Board of Governors

The members of the Board who served during the year are shown on page vii to x

Auditors

The Auditor General is responsible for the statutory audit of the TTI 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

Mombasa

Date: 01/12/2025



12. Statement of Board of Governors' Responsibilities

The Board of Governors are responsible for the preparation and presentation of the institute financial statements which give a true and fair view of the state of affairs of the college for and as at the end of the financial year 30th June 2025. This responsibility includes; ensuring proper keeping of accounting records, installing of proper control of the institutional assets, and designing, implementing and maintaining internal controls relevant to the preparation and presentation of financial statements and ensuring that they are free from material misstatements whether due to error or frauds.

The BOG members accept responsibility for the Institute 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. The BOG members are of the opinion that the Institute financial statements give a true and fair view of the state of Institute transactions during the financial year ended June 30, 2025 and of the Institute financial position as at that date. The BOG members further confirm the completeness of the accounting records maintained for the Institute which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the Institute's ability to continue as a going concern, the financial statements of ASMTTI have been prepared on a going concern basis, which assumes that the institute will be able to continue its operations for the foreseeable future and meet its financial obligations as they become due.

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

The Board accept responsibility for the College's financial statements, which have been prepared using appropriate accounting policies (accrual basis).

Approval of the financial statements

The institution's financial statements were approved by the Board on 01/12/2025 and signed on its behalf by:



.....
Name Mwidani M. Ali
Chairperson of the Board



.....
Name Hafsa Sotif
Accounting Officer/Principal



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 AHMED SHAHAME MWIDANI 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.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ahmed Shahame Mwidani Technical Training Institute set out on pages 1 to 27, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance,

Report of the Auditor-General on Ahmed Shahame Mwidani Technical Training Institute for the year ended 30 June, 2025

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ahmed Shahame Mwidani 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 Technical and Vocational Education Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Lack of Land Ownership Documents

The statement of financial position and Note 18 to the financial statements reflects property, plant and equipment balance of Kshs.174,940,783. However, the balance excludes land of unknown value on which the institution is built. The land was explained to be a donation by the Kenya Airport Authority (KAA) to the Ministry of Education, Technical and Vocational Training for the construction of the Institute. However, the institution has no legal land ownership documents to date.

In the circumstances, the accuracy, completeness and valuation of property, plant and equipment balance of Kshs.174,940,783 could not be confirmed.

2. Long Outstanding Receivables from Exchange transactions

The statement of financial position reflects accounts receivables from exchange transactions of Kshs.58,442,992 relating to student debtors. Review of student records established that receivables amounting to Kshs.14,462,475 had been outstanding for more than one (1) year. No evidence was provided on strategies for recovery or follow-ups to collect these long-outstanding debts.

In the circumstances, the accuracy and completeness of receivables from exchange transactions of Kshs.58,442,992 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ahmed Shahame Mwidani 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 qualified opinion.

Emphasis of Matter

The statement of comparison of budget and actual amounts reflects final budget of Kshs.33,547,086 and actual on comparable basis of Kshs.35,957,132, resulting to over collection of Ksh.2,410,046. Similarly, the Institute expended Kshs.32,528,800 against actual receipts of Kshs.35,957,132 resulting to under absorption of Kshs.3,428,332 or 10% of the actual receipts.

The over collection implies imbalanced budgeting and under absorption may have affected implementation of planned activities for the year thereby impacting negatively on its operations and its strategic objectives.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Institute in 2024/2025 revealed that the following Four (4) issues remained unresolved.

No.	Financial Year	Audit Issue
1	2023/2024	Unsupported inventories balance
2	2023/2024	Understatement of Property, Plant and Equipment
3	2023/2024	Failure to adjust intangible asset for impairment
4	2023/2024	Lack of risk management Policy

Other Information

The Management is responsible for the Other Information set out on page iii to xxvi which comprise of Key Institute Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Chief Principal, Statement of

Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report of the Board of Governors, Statement of Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the 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 conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Regularity of Human Resource Management Practices

The statement of financial performance and Note 10 to the financial statements reflects employee costs of Kshs.6,112,432. The following anomalies were observed:

1.1 Lack of Ethnic Diversity in Staff Establishment

Review of Human Resource records revealed that the Institute had twenty-six (26) staff, out of which ten (10) staff or 38% were from the local dominant ethnic community contrary to section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment not to have more than one third of its staff from the same ethnic community.

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

1.2 Lack of a Retirement Benefit Scheme for Permanent Employee

The statement of financial performance and Note 10 to the financial statements reflects employee costs of Kshs.6,112,432 which includes salaries payable to four members of

staff on permanent and pensionable basis. However, the Institute does not have a retirement benefit scheme for the permanent staff and therefore subjecting the staff to miss out on the 15% pension contribution by the employer as stipulated in the Public Service Superannuation Scheme Act, 2012.

In the circumstances, the Institute was in breach of the law

1.3 Failure to Provide for Gratuity on Temporary Employees.

The statement of financial performance and Note 10 to the financial statements reflects employee costs of Kshs.6,112,432 which includes salaries paid to twenty two (22) members of staff engaged on contract terms. However, it was noted that the Institute did not make provisions for service pay in respect of these contract employees, as required under the Employment Act, 2007, which stipulates that an employee whose contract is terminated after continuous service is entitled to service pay for each completed year of service.

In the circumstances, the Institute was in breach of the law

2. Irregular Transfer to Kenya Association of Technical Training Institutions

The statement of financial performance and Note 9 reflects use of goods and services amounting to Kshs.18,526,453. Included in the amount is administrative expenses of Kshs.5,039,036, out of which an amount of Kshs.145,960 to Kenya Association of Technical Training Institutions, a private entity that is not subject to Public Finance Management Act, 2012 or any other public finance regulations and is a welfare organization that draws its membership from Technical Training Institutions only.

In the circumstances, Management was in breach of the law

3. Delay in Delivery of ERP System Module

The statement of financial position and Note 19 to the financial statements reflect intangible assets balance of Kshs.1,568,000. Included in the balance is Kshs.1,960,000 paid to a local supplier on 15 April, 2024 for the supply, installation, testing, training, commissioning and maintenance of a Management Information System. The vendor was expected to supply the system, with seven (7) modules during the period commencing 1 July 2024 up to 12 July, 2024. However, one module of the ERP system (College Portal) costing Kshs.500,000 had not been delivered as at the date of the audit on 27 October, 2025, contrary to contractual terms, and no formal extension request was made.

In the circumstances, the value for money on the Kshs.500,000 paid to the supplier could not be confirmed

4.0 Non-Compliance with the Order on Public Procurement Regulatory Authority (PPRA) Capacity Building Levy

Review of quarterly procurement reports revealed that the Institution awarded sixty-nine (69) contracts valued at Kshs.7,729,978 between 01 September, 2024 and 30 June, 2025. However, Management did not deduct and remit PPRA capacity building levy

amounting to Kshs.2,319 on the payments on the contracts contrary to Public Procurement Capacity Building Levy Order, 2023.

In the circumstances, Management was in breach of the law

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Non-Compliance with Requirements on Audit Committee Meetings

Review of the Board of Governors' and committee meeting records provided revealed that four (4) full board meetings and one finance and human resource committee meeting were held during the financial year. However, no audit committee meeting was convened, contrary to the requirements of Section 179(1) of the Public Finance Management (National Government) Regulations, 2015, which stipulates that the audit committee to meet at least once every three months.

In the circumstances, the effectiveness of the audit committee could not be confirmed.

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

Responsibilities of Management and Board of Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Accrual Basis and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the 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.

The Board of Governors is 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 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

05 December, 2025

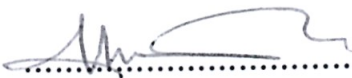
Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025

14. Statement of Financial Performance for the Year Ended 30 June 2025

	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue from non-Exchange transactions			
Transfers from other National Government entities	6	6,043,176	9,512,560
Government Grants (Depreciation)		-	14,165,553
Total Revenue from Non-Exchange transaction		6,043,176	23,678,112
Revenue from Exchange transactions			
Rendering of services- fees from students	7	58,366,338	13,234,610
Miscellaneous income	8	2,234,883	217,198
Revenue from Exchange transactions		60,601,221	13,451,808
Total Revenue		66,644,397	37,129,920
Expenses			
Use of goods and services	9	18,526,453	12,233,607
Employee costs	10	6,112,432	4,025,820
Board Expenses	11	793,520	605,000
Depreciation and amortization expense	12	16,147,750	14,165,553
Repairs and maintenance	13	1,164,550	257,850
Total Expenses		42,744,705	31,287,830
Net surplus/(deficit) for the year		23,899,692	5,842,091

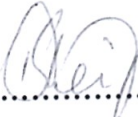
(The notes set out on pages 7 to 26 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 4 were signed by:



Chairman of Board


Date



Principal

Date





Finance Officer

ICPAK No 34384


Date 11/12/25

Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025


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

Description	Notes	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	4,785,893	7,090,533
Receivables from exchange transactions	15	58,442,992	18,530,029
Receivables from non-exchange transactions	16	-	1,363,655
Inventories	17	2,347,396	1,547,206
Total Current Assets		65,576,281	28,531,423
Non-Current Assets			
Property, Plant and equipment	18	174,940,783	181,168,613
Intangible assets	19	1,568,000	2,032,608
Total Non-Current Assets		176,508,783	183,201,221
Total Assets (A)		242,085,064	211,732,644
Liabilities			
Current Liabilities			
Trade and Othe payables from exchange transactions	20	6,126,679	5,840,826
Refundable Deposits from Customers	21	1,765,063	8,248,677
Control Accounts	22	1,315,154	
Pre-payments	23	11,712,167	690,293
Government Grants (depreciation)		-	14,165,553
Total Current Liabilities		20,919,063	28,945,349
Non-Current Liabilities			
Government Grants		-	120,543,228
Total non- current liabilities		-	120,543,228
Total Liabilities (B)		20,919,063	149,488,577
Net Assets (A-B)		221,166,001	62,244,067
Represented By:			
Mentored Institution Grants		-	58,941,327
Capital Reserves		31,270,465	
Accumulated Surplus		26,319,824	3,302,740
Capital Fund		162,693,104	-
Net Assets		221,166,001	62,244,067

The Financial Statements set out on pages 1 to 4 were signed by:



Chairman of Board



Principal



Finance Officer

ICPAK No 34384

Date 1/12/25


Date



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

Description	Mentorship Funds	Capital Reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	50,723,533	-	(2,539,351)	-	48,184,182
Surplus/(deficit) for the year		-	5,842,091	-	5,842,091
Mentorship Grants	8,217,794	-	-	-	8,217,794
At June 30, 2024	58,941,327	-	3,302,740	-	62,244,067
At July 1, 2024	58,941,327	-	3,302,740	-	62,244,067
Capital Funds				162,693,104	162,693,104
Surplus/(deficit) for the year	-	-	23,899,692	-	23,899,692
Capital Reserve		31,270,465			31,270,465
Mentorship Grants	(58,941,327)				(58,941,327)
At June 30, 2025	-	31,270,465	26,319,824	162,693,104	221,166,001


The Financial Statements set out on pages 1 to 4 were signed by:


.....

Chairman of Board


.....

Principal


.....

Finance Officer

ICPAK No 34384

Date 1/12/25

Date

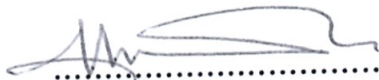


**Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025**

17. Statement of Cash Flows for the Year Ended 30 June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		9,406,141	8,148,906
Rendering of services- fees from students		23,973,480	12,463,529
Mentoring institution Grants		-	8,217,794
Miscellaneous income		2,577,512	217,198
Total Receipts		35,957,133	29,047,429
Payments			
Use of goods and services		22,362,334	14,741,938
Employee costs		5,851,982	3,895,320
Board Expenses		793,520	605,000
Repairs and maintenance		1,160,764	202,850
Total Payments		30,168,600	19,445,108
Net Cash Flows from operating activities		5,788,533	9,602,319
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(2,360,200)	(1,061,384)
Mentoring institute Payment		(5,732,973)	(11,147,876)
Net cash flows used in investing activities		(8,093,173)	(12,209,260)
Net Increase/(Decrease) in Cash and Cash equivalents		(2,304,640)	(2,606,941)
Cash and Cash equivalents at 1 JULY	14	7,090,533	9,697,474
Cash and Cash equivalents at 30 JUNE	14	4,785,893	7,090,533

The Financial Statements set out on pages 1 to 4 were signed by:


.....

Chairman of Council/Board


.....

Principal


.....

Finance Officer

ICPAK No 34384

Date 1/12/25

Date



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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*				1,363,654	-	100
Receipts						
Transfers from government	2,000,000	-	2,000,000	1,999,310	690	100
Rendering of services- fees from students	19,692,549	10,683,051	30,375,600	30,016,656	358,944	99%
Miscellaneous Income	482,708	688,778	1,171,486	2,577,512	(1,406,026))	220 %
Total Receipts	22,175,257	11,371,829	33,547,086	35,957,132	(2,410,046)	107 %
Payments						
Use of goods and services	13,383,657	9,613,513	22,997,170	22,362,334	634,836	97 %
Employee costs	4,131,600	1,810,830	5,942,430	5,851,982	90,448	98 %
Board Expenses	800,000	-	800,000	793,520	6,480	99 %
Repairs and maintenance	1,100,000	517,486	1,617,486	1,160,764	456,722	72 %
Recurrent Expenditure Payments	19,415,257	11,941,829	31,357,086	30,168,600	1,188,486	96 %
Capital Expenditure Payments	2,760,000	(570,000)	2,190,000	2,360,200	(170,200)	108 %
Total Recurrent & Capital Expenditure expenses			33,547,086	32,528,800	1,018,286	
Surplus	-	-	-	3,428,332		

Budget notes

1. In the year under review the institute received more income from hiring of venue which contributed to more revenue compared to what was budgeted for.
2. In the year under review, management secured materials and labour at a cheaper price hence contributing to less expenditure. Moreover, most of the repair works took place in the last quarter of the year

Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	3,428,333
1	Unutilized Mentoring Institution Grant (prior year carryover)	1,363,654
2	Non-budgeted Miscellaneous Income (over performance)	(1,406,026)
3	Timing Difference	1,018,286
4	ERP Adjustments and rounding differences	381,646
	Closing Cash and Cash Equivalent as per the statement of Cash flows	4,785,893

19. Notes to the Financial Statements

1. General Information

Ahmed Shahame Mwidani TTI is established by and derives its authority and accountability from TVET Act. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is in roman (iii).

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Institute. The values are rounded off to the nearest shilling.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Ahmed Shahame Mwidani Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2024)

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	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Institute. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:

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

iii. Early adoption of standards

ASMTTI did not early adopt any new or amended standards in year 2025

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

- a) Revenue recognition
- i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Institute and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

- ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Notes to the Financial Statements (Continued)

b) Budget information

The original budget for FY 2024/2025 was approved by the Board on 30/01/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Institute upon receiving the respective approvals to conclude the final budget. Accordingly, the Institute recorded additional appropriations of **Kes. 11,371,829** on the FY 2024/2025 budget following the Board's approval. The Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cash flows has been presented.

c) Taxes

Current income tax

The Institute is exempt from paying taxes as per schedule *income tax* of the *finance* Act Cap 470.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Institute 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.

The institution uses a straight-line method of depreciation for assets. The rates used to depreciate the assets are:

➤ Building	2.5%
➤ Equipment & Furniture	12.5%
➤ Computer & accessories	30%
➤ Motor Vehicle	25%
➤ Intangible Asset	20%

Notes to the Financial Statements (Continued)

e) Intangible assets

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

Trade and other receivables

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

f) Inventories

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

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

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

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

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

Notes to the Financial Statements (Continued)

g) Changes in accounting policies and estimates

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

h) Employee benefits

Retirement benefit plans

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

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at Bank account balances include amounts held at the Kenya commercial banks and Equity bank at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests which were accounted for at the end of the financial year.

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 June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

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Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	2,752,353	4,237,827
Operational Grant		2,499,828
Scholarship Grants	3,290,823	2,774,905
Total unconditional Grants	6,043,176	9,512,560
Conditional Grants amortised/ recognised in revenue		
Mentorship Grants (Matuga TVC)	-	8,217,974
Total Government Grants and Subsidies	6,043,176	17,730,354

(a) Transfers from other Government entities (Categorized)

Name of the Institute Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education TVET	6,043,176	-	-	6,043,176	17,730,354
Total	6,043,176	-	-	6,043,176	17,730,354

7. Rendering of Services

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Tuition Fees	24,653,518	3,014,588
Development fees	-	6,000
Registration Fees	1,360,500	651,000
Repair Maintenance & Improvement	3,085,285	756,192
Electricity Water and Consumption	3,612,021	930,028
Local Transport and Travel	3,511,219	904,510
TVETA Fees	479,500	
Personal Emoluments	12,504,433	3,377,600
A.S.M.T-Shirt	1,500	6,000
Student Id	294,200	165,200
Activity Fees	3,844,212	1,143,152
Industrial Attachment Fees	2,171,900	672,700
Internet	23,100	3,600
Other Billing		1,604,040
Examination fees	2,746,150	
Material Fees	48,000	
Examination Material fees	10,800	
Uniform and Equipment	20,000	
Total Revenue from The Rendering of Services	58,366,338	13,234,610

Notes to the Financial Statements (Continued)

8. Miscellaneous Income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Sale of foods	18,115	-
Sale of Publications	1,320	-
Sale cosmetology products	7,000	-
Catering facilities sales	1,758,000	-
Hiring of venue	365,508	-
Application Fees	33,250	22,600
Sales of tenders		194,598
Sale of food and beverage	11,690	-
Donations	40,000	-
Total Revenue from Sale of Goods	2,234,883	217,198

9. Use of Goods and Services

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Local Transport and Travelling Expenses	1,965,440	2,271,585
Training/Staff Capacity Building Expenses	2,169,524	937,612
Teaching and learning materials	989,483	1,044,608
Activity Cost	1,099,767	321,307
Electricity & water	575,594	461,306
Administrative Expense	5,039,036	3,305,252
Exhibition and trade fair	170,000	228,000
Marketing & Advertisement Expenses	253,400	393,626
Security	747,360	779,520
Telephone & Internet Expenses	801,917	272,390
Printing and Stationary	585,774	279,250
Subscription	184,925	60,000
Insurance	41,000	69,000
Examination Fees	3,123,480	1,095,650
Industrial Attachment cost	96,500	92,600
Audit Fees	330,000	330,000
Kuccps Placement Cost	-	166,500
Performance Contracting Cost	75,000	100,900
TVETA Quality Review Cost	135,500	
Nita Levy	30,350	24,500
Students Union Expenses	58,000	-
Bank Charges	54,434	
Total good and services	18,526,484	12,233,607

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Notes to the Financial Statements (Continued)

10. Employee Costs

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Salaries and wages	5,774,488	3,768,873
Employer contributions to Nssf	266,253	204,857
Employer contribution to Housing levy	71,691	52,090
Employee Costs	6,112,432	4,025,820

11. Board Expenses

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Board of Governors sitting allowances	686,520	347,000
Board of Governors transport allowances	107,000	56,000
Board of Governor bundles & lunch allowances	-	202,000
Total	793,520	605,000

12. Depreciation and Amortization expense

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Building	1,724,744	1,724,744
Furniture & Fitting	448,572	197,859
Equipment	11,979,375	11,971,691
Computers and accessories	321,827	140,027
Vehicles	131,232	131,232
Intangible Assets (Amortization)	392,000	
Intangible Assets (Impairment)	1,150,000	
Total depreciation and amortization	16,147,750	14,165,553

13. Repairs and Maintenance

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Property	1,164,550	257,850
Total Repairs and Maintenance	1,164,550	257,850

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Notes to the Financial Statements (Continued)

14. Cash and Cash Equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Account – Operation Account 1	818,831	772,709
Development Account 2	3,736	5,873,166
Third Party Account 3	155,659	134,995
Production Account 4	3,566,559	350,000
Examination account 5	227,768	(53,460)
Cash Balance Operation Account 1	11,314	13,122
Cash Balance Production Account 4	2,026	
Total Cash and Cash Equivalents	4,785,893	7,090,533

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

Financial Institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1215853955	818,831	772,709
Sub- Total		818,831	772,709
b) Development Account			
Kenya Commercial Bank	1259542408	3,736	5,873,166
Sub- Total		3,736	5,873,166
c) Third part Account			
Kenya Commercial Bank	1285264533	155,659	134,995
Sub- Total		155,659	134,995
d) Production Account			
Equity Bank	1200284808387	3,566,559	350,000
Sub- Total		3,566,559	350,000
e) Examination Account			
Equity Bank	1200284808467	227,768	(53,460)
Sub- Total		227,768	(53,460)
f Current Account			
Cash at Hand		11,314	13,122
Sub- Total		11,314	13,122
g Production Account			
Cash at hand		2,026	
Sub- Total		2,026	
Grand Total		4,785,893	7,090,533

Notes to the Financial Statements (Continued)

15. Receivables from Exchange transactions

15(a) Current Receivables from Exchange transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	58,370,848	18,445,329
Advance Salary	58,700	84,700
General Debtor	13,444	
Total Current Receivables	58,442,992	18,530,029

15 (b) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of total
Less than 1 year	43,908,373	75%	6,191,985	34%
Between 1- 2 years	9,707,475	17%	7,498,344	41%
Over 3 years	4,755,000	8%	4,755,000	26%
Total (a+b)	58,370,848	100%	18,445,329	100%

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

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
At the beginning of the year	18,445,329	13,388,710
Adjustment made after audit	589,570	
Provisions during the year	66,183,597	24,589,921
Recovered during the year	(26,847,648)	(19,533,302)
At the end of the year	58,370,848	18,445,329

16. Receivables from Non-Exchange transactions

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Receivables		
Operation Grants*	-	499,827
Capitation Grants*	-	863,827
Total Current Receivables	-	1,363,654

Notes to the Financial Statements (Continued)

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

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	1,363,654	100%
Total	-	%	1,363,654	100%

17. Inventories

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Consumable stores	458,070	1,547,206
Inventory-Tools & Equipment	1,809,826	-
Inventory-Food & Beverage	79,500	-
Electrical stores	-	-
Total Inventories at lower of Cost and Net Realizable Value	2,347,396	1,547,206

17 a) Detailed disclosure on inventories

	FY 2024/2025	FY 2023/2024
Opening balance	1,547,206	1,531,206
Additional Inventory in the year	800,190	16,000
Inventory expensed in the year	-	-
Write-downs in the year	-	-
Closing balance	2,347,396	1,547,206

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Notes to the Financial Statements (Continued)

18. Property, Plant and Equipment

Cost	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate	2.5%	25%	12.5%	30%	12.5%		
At 1 July 2023	68,989,768	-	1,150,875	-	95,601,325	40,714,590	206,456,558
Additions	-	524,928	432,000	466,756	172,200	-	1,595,884
Transfers/Adjustments	-	-	-	-	-	11,147,876	11,147,876
At 30th June 2024	68,989,768	524,928	1,582,875	466,756	95,773,525	51,862,466	219,200,318
Additions	-	-	2,005,698	606,000	61,477	-	2,673,175
Transfer/Adjustments	-	-	-	-	-	5,704,744	5,704,744
At 30th June 2025	68,989,768	524,928	3,588,573	1,072,756	95,835,002	57,567,210	227,578,237
Depreciation And Impairment							
At 1 Jun 2023	(11,003,740)		(650,477)	-	(12,211,935)	-	(23,866,152)
Depreciation	(1,724,744)	(131,232)	(197,859)	(140,027)	(11,971,691)	-	(14,165,553)
At 30 Jun 2024	(12,728,484)	(131,232)	(848,336)	(140,027)	(24,183,626)	-	(38,031,705)
Depreciation	(1,724,744)	(131,232)	(448,572)	(321,827)	(11,979,375)	-	(14,605,750)
At 30th Jun 2025	(14,453,228)	(262,464)	(1,296,908)	(461,854)	(36,163,001)	-	(52,637,455)
Net Book Values							
At 30th Jun 2024	56,261,284	393,696	734,539	326,729	71,589,899	51,862,466	181,168,613
At 30th Jun 2025	54,536,540	262,464	2,291,665	610,902	59,672,001	57,567,210	174,940,783

➤ Cost under work in progress is for Matuga TVC construction

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Notes to the Financial Statements (Continued)

18 (a) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Buildings	68,989,768	14,453,228	54,536,540
Plant And Machinery	95,835,002	36,163,001	59,672,001
Motor Vehicles including Motorcycles	524,928	262,464	262,464
Computers and Related Equipment	1,072,756	461,854	610,902
Office Equipment, Furniture, And Fittings	3,588,573	1,296,908	2,291,665
Work in Progress (Matuga TVC)	57,567,210		57,567,210
Total	227,578,237	52,637,455	174,940,783

19. Intangible Assets

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	2,032,608	2,056,968
Additions	1,960,000	-
At end of the year	3,992,608	2,056,968
At end of the year	3,992,608	2,056,968
Amortization and impairment		
At beginning of the year	-	24,360
Amortization	392,000	-
At end of the year	416,362	24,360
Impairment loss	2,032,608	-
At end of the year	2,473,330	24,360
NBV	1,568,000	2,032,608

NOTE. Window software of cost ksh. 24,360 was fully amortized and currently it is not in use

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Notes to the Financial Statements (Continued)

20. Trade and Other Payables

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Trade payables	5,964,991		5,703,221	
Third-Party Payments	-		137,605	
Nhif Contribution	14,514			
Nssf contribution	63,314			
Paye	1,799			
Affordable Housing levy	15,823			
With-Holding tax	66,238			
Total Trade and Other Payables	6,126,679		5,840,826	
Ageing analysis:	2024/02025	% of the Total	2023/2024	% of the Total
Under one year	3,603,514	59%		
1-2 years	2,523,165	41%		
Total (to tie to totals above)	6,126,679	100%		

21. Refundable Deposits from Customers/Students

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Refundable collection	661,763		690,293	
Caution Money fees	562,500			
Student Council fees	540,800			
Total Deposits	1,765,063		690,293	

22. Control Accounts

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Capitation	187,254			
Bursaries	118,000			
CDF-Chagamwe Bursary	937,000			
Other Scholarship	72,900			
Total Deposits	1,315,153			

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Notes to the Financial Statements (Continued)

23. Pre-payments.

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Fees paid in advance	11,712,167	8,759,055
Total	11,712,167	8,759,055

24. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Non-Current Benefit Obligation	266,253			266,253	256,947
Total Employee Benefits Obligation	266,253			266,253	256,947

Retirement benefit Asset/ Liability

The institution based on contribution to the statutory National Social Security Funds (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Institution's obligation under the scheme is limited to specific contributions legislated from time to time and currently at 6% per employee per monthly salary and the employer the same with a maximum amount of 36,000. The institution is intending to introduce gratuity policy soon for the permanent bog employees.

25. Cash generated from operations.

Surplus for the year before tax	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Adjusted for:	23,899,692	5,923,131
Depreciation	16,147,750	14,165,553
Working Capital Adjustments	40,047,442	
Increase in Inventory	(800,190)	(16,000)
Increase in Receivables from exchange transaction	(39,912,963)	(5,125,149)
Increase in Receivables from non-exchange transaction		(1,363,655)
Increase in refundable deposit	(6,168,637)	(346,783)
Increase in Pre-payment	11,021,874	
Increase in Government Grants	1,315,154	(459,581)
Increase in Payables	285,853	(2,299,762)
Net Cash Flow from Operating Activities	5,788,533	9,954,842

Notes to the Financial Statements (Continued)

26. Financial Risk Management

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

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

iv) Capital Risk Management

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Accumulated Fund	26,319,824	3,302,740
Total Funds	26,319,824	3,302,740
Less: Cash and Bank Balances	4,785,893	7,090,533
Net Debt/(Excess Cash and Cash Equivalents)	(4,785,893)	(7,090,533)
Gearing	550%	210%

Notes to the Financial Statements (Continued)

27. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Accounting Officer/Principal
- vi) Finance Department
- vii) Procurement Department

28. Events After the Reporting Period

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

29. Ultimate And Holding Institute

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

30. Currency

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

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20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
MSA/ASMTTI/2023/24(2)	Unsupported Inventories Balance	Management to carry out stock taking in every quarter	Solved	30/06/2025
MSA/ASMTTI/2023/24(2)	Understatement of property, plant and Equipment.	Management is making follow up with the relevant offices	Not solved	Not Given
MSA/ASMTTI/2023/24(2)	Failure to Adjust Intangible Asset for Impairment.	Management was awaiting Board approval to impair the un-used asset	Solved	30/06/2025
MSA/ASMTTI/2023/24(2)	Lack of Risk Management Policy	Management has a draft waiting board Approval	Solved	30/06/2025



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Name H. Seif
Accounting Officer
Chief Principal,
Date



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Appendix II: Projects Implemented by Ahmed Shahame Mwidani Technical Training Institute

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1.Matuga TVC	1	GOK	12Months	-	No	Yes
2. ASMTTI TWINS WORKSHOP	2	□ NG-CDF	6Months	-	No	No

Status of Projects completion


	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	MATUGA TVC	57,774,572.50	56,853,606.5	100	-	-	GOK
2	TWINS WORKSHOP	All Process is controlled by NG CDF Changamwe					NG-CDF CHANGAMWE

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Appendix III- Inter-Institute Confirmation Letter

Name of transferring Institute: Ministry of Education TVET

Name of beneficiary Institute: Ahmed Shahame Mwidani technical Training Institute

Confirmation of amounts received by [Insert name of beneficiary Institute] as at 30 th June 2025						
Reference Number	Date Disbursed	Recurrent (A)	Capitation (B)	Scholarship (C)	Total (D)=(A+B+C)	Remarks
MoE TVET	20/09/2024			127,486.60	127,486.60	
MoE TVET	20/09/2024			208,113.40	208,113.40	
MoE TVET	20/09/2024			2,505,574.70	2,505,574.70	
MoE TVET	23/09/2024			26,703.10	26,703.10	
MoE TVET	23/09/2024			659,927.50	659,927.50	
MoE TVET	24/09/2024			376,085.90	376,085.90	
MoE TVET	24/09/2024			46,859.80	46,859.80	
MoE TVET	18/02/2025		2,092,425		2,092,425	
Total			2,092,425	3,950,751	6,043,176	
<p>I confirm that the amounts shown above are correct as of the date indicated.</p> <p>Head of Accounts Department - Disbursing Institute:</p> <p>Name Sign Date</p> <p>Head of Accounts Department - Beneficiary Institute:</p> <p>Name Elisha Kahindi Mrimi.... Sign  Date 11/12/25</p>						