

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

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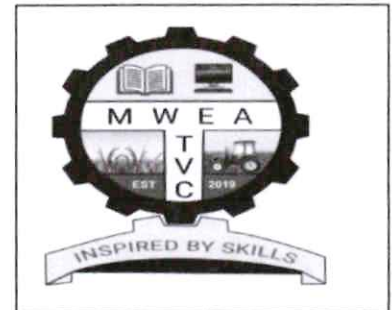
**THE AUDITOR-GENERAL**

**ON**

**MWEA TECHNICAL AND VOCATIONAL  
COLLEGE**

**FOR THE YEAR  
ENDED 30 JUNE, 2024**

Revised 30th June 2024



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*MWEA TECHNICAL AND VOCATIONAL COLLEGE*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

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

**A. Acronyms**

BOG	Board of Governors
GOK	Government of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TVC	Technical Vocational College
CEO	Chief Executive Officer
TVET	Technical Vocational and Education Training
FY	Financial Year
HELB	Higher Education Loan Board
HoD	Head of Department
ICT	Information Communication Technology
KNEC	Kenya National Examination Council
NITA	National Industrial Training Authority
MTVC	MWEA Technical and Vocational College
KRA	Kenya Revenue Authority
PAYE	Pay As You Earn
AHL	Affordable Housing Levy
HND	Higher National Diploma
KCB	Kenya Commercial Bank
NSSF	National Social Security Fund
NHIF	National Health Insurance Fund
NG-CDF	National Government Constituency Development Fund
AG	Acting
PPE	Property Plant and Equipments

**B. Definition of Key Terms**

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

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

## **2. KEY ENTITY INFORMATION AND MANAGEMENT**

### **(a) Background information**

Mwea Technical and Vocational College is located in Kirinyaga county, Mwea East sub-county Gathigiriri location, Gathigiriri sub-location. It was constructed through funding by GOK and Mwea Constituency NG-CDF under mentorship of Thika Technical Training Institute. The institution was completed in 2017 and handed over to Thika Technical Training Institute to oversee its management until when the first principal was deployed in 2019. No trainee was admitted in the financial year ended 30<sup>th</sup> June 2020. The college is a centre of excellence in Agriculture and Agricultural Engineering. The College received equipment's, computers and furniture's which were supplied to the institution through the Government of Kenya. The college is located 7 Km from Mwea town along GK Mwea Prison Road

### **(b) Principal Activities**

Mwea TVC is a national public tertiary institution under the Ministry of Education; it operates under the Education Act 213 and TVET Act 2013 Laws of Kenya. The College's operations are also carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars. The institution operates under the management of the Board of Governors appointed by the Minister in charge of Education. The Principal is the College's CEO and the secretary to the BOG. On the day-to-day operations of the college, the Senior Principal is assisted by a Deputy Principal, the Registrar, the Dean of Students and Heads of Departments. The students participate in College's governance through a student's association led by an elected student council. The college is Centre of excellence in Agricultural value chain The college received modern tools and equipment in the area of Agricultural Engineering worthy Ksh 121,115,610 (one hundred and twenty-one million, one hundred and fifteen thousand six hundred and ten Kenya shillings only) This government act was to bring to the youths of Kirinyaga County the modern technology so that they can have hands on skills for Inspired by Skills is also our motto

#### **VISION**

Be a Centre of Excellence in Agri-training and Technology

#### **MISSION**

Provide relevant quality training programs and produce skilled manpower for sustainable human development.

#### **Core values**

- Professionalism
- Teamwork
- Integrity
- Transparency
- Civility

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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- Flexibility
- innovativeness

**C. Key Management**

Mwea TVC day-to-day management is under the following key organs:

- Board of Governor
- Principal
- Deputy Principal
- Registrar
- Dean of Students
- Head of Departments

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

1.	Principal	Tabitha W.Jesec
2.	Deputy Principal	Dr. Joseph Kimani Mwangi
3.	Registrar	Simon M.Karathe
4.	Dean of students	Nyaga Ernest Murimi
5.	Examination Officer	Kelvin Njuguna
6..	Head of Building and Civil Engineering	Godfrey Maina
7.	Head of Mechanical engineering	Josiah Josephat Okendi
8.	Head of ICT	<b>Doris N.Wanjohi</b>
9.	Finance Officer	<b>Patrick K.Mburu</b>
10	Admin Secretary	Fridah M.Kauruo

**(d) Fiduciary Oversight Arrangements**

***Audit committee activities***

- Establish Internal Audit Functions
- Formulate whistleblowing Policy in the College
- Formulate and Review of OHS Policy
- Insurance of all assets general accident cover for students and BOG employees
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulation and Review of Security Policy
- Establish and Maintain Archives
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized

- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

- ***Development partner oversight activities***

The functions of the Authority shall be to—

- (a) Regulate and co-ordinate training.
  - (b) Accredite and inspect programmes and courses;
  - (c) Advice and make recommendations to the Cabinet Secretary on all matters related to training;
  - (d) Determine the national technical and vocational training objectives;
  - (e) Promote access and relevance of training programmes within the framework of the overall national socio-economic development plans and policies;
  - (f) Prescribe the minimum criteria for admission to training institutions and programmes in order to promote access, equity and gender parity;
  - (g) recognize and equate qualifications awarded by local or foreign technical and vocational education institutions in accordance with the Standards and guidelines set out by the Authority from time to time;
  - (h) develop plans, and guidelines for the effective implementation of the provisions of this Act;
  - (i) Establish a training system which meets the needs of both the formal and informal sectors as provided under this Act;
  - (j) Collect, examine and publish information relating to training;
  - (k) Inspect, license, register and accredit training institutions;
  - (l) Advise on the development of schemes of service for trainers;
  - (m) Assure quality and relevance in programmes of training;
  - (n) Liaise with the national and county governments and with the public and the private sector on matters relating to training;
  - (o) Undertake, or cause to be undertaken, regular monitoring, evaluation and inspection of training and institutions to ensure compliance with set standards and guidelines;
  - (p) Mobilize resources for development of training;
  - (q) Ensure the maintenance of standards, quality and relevance in all aspects of training, including training by or through open, distance and electronic learning;
- (r) Approve the process of introduction of new training programmes and review existing programmes in Technical and Vocational Education and Training Board institutions;

Other oversight activities

. Role of the Cabinet Secretary

(1) The Cabinet Secretary in consultation with the other Ministries and the private sector involved in training shall develop policies and provide strategies for the development of a national training system.

(2) The Cabinet Secretary shall have the overall responsibility in the provision of training and shall, in collaboration with other Ministries and stakeholders, be responsible for promoting access, equity, quality and relevance in training.

E Cabinet Secretary shall provide policy guidance on all matters relating to the implementation.

**(e) Mwea Technical and Vocational College Headquarters**

P.O. Box ...45-10303  
Wang'uru, KENYA  
East of Embu-Meru highway road off Mwea Market

**(f) Mwea Technical and Vocational College Contacts**

Telephone: (254) 703837330  
E-mail: [mweatvc19@gmail.com](mailto:mweatvc19@gmail.com)  
Website: [info@mweatvc.ac.ke](mailto:info@mweatvc.ac.ke)

**(g) Mwea Technical and Vocational College Bankers**

1. BANK NAME : Kenya Commercial Bank
2. A/C1275062849  
.BRANCH: Mwea  
P.O. Box 393-10303 Wanguru



**Independent Auditors**



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


**(h) 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><b>Board Member: George Njagi Njeru</b></p> <p><b>BOG Chairperson</b></p>	<p><b>DOB:</b>1967</p> <p><b>Academic Qualification:</b></p> <ul style="list-style-type: none"> <li>• Ph.D Mechanical Engineering-DeKUT</li> <li>• Msc. Industrial Engineering and management-DeKUT</li> <li>• B. Phil. Mechanical Engineering and Management- University of Nairobi</li> <li>• HND Mechanical Engineering-Mombasa Polytechnic</li> <li>• Diploma in Technical Education-KTTC</li> <li>• Motor vehicle technician 1-3- KTTC</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>• Tutorial Fellow, Department of Engineering- Meru University of Science and Technology (MUST)</li> <li>• Technologist – MUST</li> <li>• Senior Lecturer (TSC)- Meru College of Technology</li> <li>• Lecturer (TSC) Meru College of Technology</li> <li>• Assistant Lecturer (TSC) Nyeri Technical Training Institute</li> </ul> <p>Technical Teacher (TSC) Bumbe Technical Training Institute</p>
2.	 <p><b>NAME: Tabitha W. Jese</b></p> <p><b>Principal/Secretary BOG</b></p>	<p><b>DOB:</b>1974</p> <p><b>Academic Qualification:</b></p> <p>Master of Science in Agribusiness Management Bachelor of science in Agricultural Education and Extension</p> <p><b>Work Experience:</b></p> <p>Principal -Mwea TVC Deputy Academic-Mwea TVC HOD-Thika TTI</p>



<p>3.</p>	 <p><b>Board Member: Mercy W. Gitau</b></p>	<p><b><u>DOB:</u></b> 1985</p> <p><b><u>Academic Qualification:</u></b></p> <ul style="list-style-type: none"> <li>• Bachelor of law-university of Nairobi</li> <li>• Post Graduate Diploma in Law-Kenya School of Law</li> <li>• Diploma in Law- Kenya School of Professional Studies</li> </ul> <p><b><u>Work Experience:</u></b></p> <ul style="list-style-type: none"> <li>• Advocate of the High Court of Kenya</li> <li>• Regional Manager- Kabathi&amp; Advocates</li> <li>• Pupil- Muri Mwaniki &amp; Advocates</li> <li>• Legal Intern- Murang'a County Assembly</li> <li>• Pupil- Kirubi, Mwangi Ben &amp; Company Advocates</li> <li>• Student's Mentor- kanderi Secondary School and Gacharaigu Mixed Secondary School</li> </ul>
<p>4.</p>	 <p><b>Board Member: Francis M. Muhwang'a</b></p>	<p><b><u>DOB:</u></b> 1959</p> <p><b><u>Academic Qualification:</u></b></p> <ul style="list-style-type: none"> <li>• Msc in Strategic management-European Business School(UK)</li> <li>• EAACE- Githumu High School</li> </ul> <p><b><u>Work Experience:</u></b></p> <ul style="list-style-type: none"> <li>• Consultancy services</li> <li>• Career Banker-Standard Chartered Bank</li> <li>• Branch manager- Standard Chartered Bank</li> <li>• Human Resource Administration- Standard Chartered Bank</li> </ul>

5.	 <p><b>Board Member:</b> Jecinta Wawira Muriithi</p>	<p><b>DOB:</b> 1981</p> <p><b>Academic Qualification:</b></p> <ul style="list-style-type: none"> <li>• MSc Finance-Kenyatta University</li> <li>• BSc Commerce-KCA University</li> <li>• Certified Public Accountant-Achievers College</li> <li>• Certificate in Information Technology-KCA University</li> </ul> <p><b>Work Experience:</b></p> <ul style="list-style-type: none"> <li>• Research Assistant-Save the Children</li> <li>• Senior Business Mentor-Plan International</li> <li>• Business Mentor- Practical Action</li> <li>• Business Counsellor- Technoserve Kenya</li> <li>• Youth Trainer -Technoserve Kenya</li> </ul>

**4.Key Management Team**

SN.	Member/ Director	Details
1.	 <b>Tabitha W. Jese</b> Master of Science in Agribusiness Management	Principal/SEC. BOG Accounting Officer
2.	 <b>Dr. Joseph Kimani Mwangi</b>	Deputy Principal
3.	 <b>Simon M. Karathe</b> Bachelor of Education – power mechanics technology	Registrar
4.	 <b>Nyaga Ernest Murimi</b> Bachelor of Science in Information Technology	Dean of Students
5.	 <b>Kelvin Njuguna</b> Masters of Science in Agriculture Engineering	Examination Officer

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6.	<p><b>Godfrey Maina</b>            Certificate in Building Technology</p>	HOD Building and Civil Engineering
7.	 <p><b>Josiah Josephat Okendi</b>            Bachelor of Education in Technology            Education computing (Automotive)</p>	HOD Mechanical Engineering
8.	<p><b>Doris N.Wanjohi</b>            Bachelor of Science in Computer            Science</p>	HOD Computing and Informatics
9.	<p>Patrick K. Mburu</p>	Finance Officer
10.	 <p>Fridah M.Kauruo</p>	Admin.Secretary

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



I am pleased to present the annual report and financial statement of Mwea Technical & vocational college institute for the year ended 30<sup>th</sup> June 2024. The demand for TVET programmes in the country has continued to rise prompting the institution to continually introduce academic programme that respond to the demand of the market. The objective of the board is to position the GTVC main programmes within the context of the market requirements, cost rationalisation, equity and customer satisfaction.

During the financial period, key achievements realized were;

- Increased student's enrolment
- Substantial physical infrastructure
- Establish and Strengthened collaboration and liaison with key local industries where the college can attach its trainees.
- Established collaboration with the sister institutions.
- Established public private partnership to address the shortage of accommodation spaces for the increased population growth.
- Participated in various KATTI activities at both the regional and national levels.

I am proud to note that most of the goals set by the board indeed have been achieved. These include:

- Growth in student's numbers,
- Competitive recruitment of staff both trainers and other support staff.
- Development of the infrastructures to support academic programmes.
- Development of various physical infrastructures like roof water harvesting system and water storage tank

The college received operation grants, HELB loans and bursary ,Government Scholarship and GoK capitation for the college trainees'. These funding has enabled the college acquire equipment that will make it go –a-long way in ensuring that trainees are equipped with relevant skills therefore increasing their marketability.

The college has witnessed significant growth of the institute assets that has promoted a good training environment for both trainers and trainees. In this regard, I wish to thank the members of the board who have provided useful insight to the college management making it possible to collectively make progress. The board remains committed to building on the foundation laid down so far and will work closely with the MTVC top management team in order to realise further development. The board is pleased with efforts of the MTVC key management personnel to ensure prudent management of resources.

I thank the government for its financial support so far that has made it possible to implement the MTVC functions and programmes and also enabled the college to increase its enrolment within the year under review.

I finally, wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.

  
.....  
**George Njagi Njeru**

**Chair of the Board of Governor's**

**6. Report of the Principal**



Presented herein is the annual report and financial statement of Mwea Technical & vocational college for the year ended 30<sup>th</sup> June 2024 as per requirements of the Public Finance Management Act of 2012 and public audit Act, 2003.

The college opened the year 2023/2024 with the cash and cash equivalents of Kshs 358,808 and closed with cash and cash equivalent amounting to Kshs 883,683. The college had an approved budget of Kshs 13,954,500. The College received **Kshs 4,477,342** as revenue from Non-Exchange transactions and Kshs 5,825,059 as receipts from trainees totaling to a total revenue of Kshs 10,302,401. The College had an expenditure of Kshs 10,787,398 which part of it amounting to Kshs 1,213,700 was acquisition of Property plant and equipment. The total cost of Kshs 1,213,700 was used to acquire gas welding set, printer computer benches, furniture and TV sets.

The institution aims at diversification of revenue streams through and by initiating the following measures;

- a. Lobby for more financial support from government to finance in the development of the proposed projects.
- b. Aggressive marketing of the college programmes to increase trainee's enrolment
- c. Establishing income generating activities and strengthening the existing ones
- d. Collaborate with industries agencies for innovations funding
- e. Soliciting for grants, donations and sponsorship.

The institution carried out an analysis of the internal and external environment using (SWOT) and (PESTEL) analysis. This provides an implementation road map to monitor and evaluate mobilization of the resources generated to realize the institute core mandate. The college mandate is derived from the TVET ACT of 2013 which outlines the objectives towards promoting TVET education and training in Kenya.

During the financial year under review, the institution embarked on establishing income generating units in order for the college to utilizes machinery in a productive way  
On behalf of the management and staff of Mwea TVC, I take this opportunity to thank the Board of the Governors for the support accorded to the Institution management to be able to undertake the day to day activities and for its visionary direction in development of the college.

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I appreciate the financial support from the GoK throughout the year under review though we appeal for more support especially for the purpose of establishing suitable facilities required towards becoming the TVET of choice for trainees in Kenya and beyond.

I thank all the trainers, support staff and trainees of Mwea TVC for their continued cooperation in this challenging but noble task of building the college and I look forward to the same cooperation and enthusiastic participation in 2024 – 2025 financial year.



.....  
**Tabitha W. Jesece**

**Principal/Secretary of the board**

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

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

*Mwea* Technical has 8 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2023-2024. These strategic pillars are as follows:

Pillar/ theme/issue 1:

Pillar/ theme/ issue 2:

*Mwea* develops its annual work plans based on the above X pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. *Mwea* achieved its performance targets set for the FY 2023/24 period for its 8 strategic pillars, as indicated in the diagram below:

<b>Pillar no</b>	<b>Strategic issues</b>	<b>Strategic Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
1:	Access and equity	to enhance access and equity to quality TVET training	No. of students enrolled No. of programmes launched	Design flexible and blended learning programmes	Increased enrolment of 143 trainees
2:	Institutional ,Corporate Governance /Management	Improve Institutional corporate governance/Management	Organizational structure, HIV/Aids, Drug and substance Abuse, Safety measures, Gender mainstreaming,	Establish institutional policies, strategies and programmes that are responsive to effective	Number of policies in place- all the policies were developed

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			Disability Mainstreaming Affirmation policies	governance and management of TVET	
3:	ICT	Promote effective application of ICT	e-books acquired and utilized E-learning materials	Acquisition of e- books Training of trainers	Number of e- books acquired and in use Preparation of E-learning materials.
4:	Research and Innovation	Create forums for sensitization of staff and students -Develop a reward system for innovations	Institutionalize research and development	Participate in TVET Fairs	number of fairs participated on, regional, national
5:	Financial resources	Enhance fees collection	To improve the financial position of the college	Control systems established and implemented	Enhanced fees collection and more cash
6:	Human Resource	Liaise with the PSC for meeting gaps in teaching and support staff	-Manpower requirements determined	-Teaching staffing gaps addressed	Number of staff hired/posted by the PSC.
7:	Collaboration and linkages	Review and strengthen existing frameworks for collaborations and linkages in TVET	Mechanisms for benchmarking and joint cooperation in TVET developed and implemented	Number of mechanisms	Number of mechanisms
8:	Infrastructure improvement	To provide adequate infrastructure for quality service delivery	Increased capacity for quality service delivery	- Develop infrastructure plans and designs - Source for funding	Improved service delivery

## **8. Corporate Governance Statement**

During the year under review, the board held full board meetings and committees Board meetings. All the meetings had a quorum and no member missed two consecutive meetings. As outlined from the TVET Act 2013, section 28(1) the roles, functions, and performance of the board during the year is as follows;

**(a) Overseeing the conduct of education and training in the institution in accordance with the provisions of this Act and any other written law;**

The Board has been able to monitor the manner in which the college is managed or directed through the regular quarterly meetings -100%.

**(b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;**

Through the management, the board have acquired right syllabuses and mounted market driven courses and made sure real training takes place through supervision– 100%

**(c) Administering and managing the property of the institutions;**

The board have been able to provide security and regular maintenance of all the equipment and vehicles– 100%

**(d) Developing and implementing the institutions' strategic plan;**

The board developed and launched a strategic plan which is currently being implemented- 100%

**(e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;**

The board have prepared annual budget but execution has not been fully done due to non-remittance of development funds already budgeted.

**(f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;**

- The college have been able to collect fees from parents.
- Sourced for more funding from NG-CDF and
- Written proposals to organizations and government departments requesting for funding.

**(g) Developing and reviewing programs for training and to make representations thereon to the TVET Authority;**

(h) The board have approved new courses as guided by the ministry of education.

**(i) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;**

this was achieved 100%- all the students who applied were admitted.

**(j) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;**

- The college is a member of KATTI and CAPA
- The college receive students through KUCCPS and walk-ins.
- Principals visit industries annually to get the views of the stakeholders.

- (i) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry;**

All the recruitments so far carried out by following recruitment procedures.

- (l) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;**

**(j) Making regulations governing organization, conduct and discipline of the staff and students;** this has been achieved -100%. We have developed and implemented rules and regulations

- (k) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board;**

- (p) Providing for the welfare of the students and staff of the institutions;**

The board have improved the college learning environment by;

- Acquiring more equipment for training
- Acquiring more student's desks
- Repairing washrooms
- Water harvesting to improve sanitation

- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; The board have;**

- Established G&C department
- Students have their elected leadership
- The management hold regular meeting with the students and staff

- (r) Discharging all other functions conferred upon it by this Act or any other written law**

The board has promptly acted upon all the communications received from within and outside the college.

The board was well remunerated as they received their full allowances during all the meetings been achieved – 100%, the college has a functional finance department to collect and receipt all the monies received.

- (s) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;**

The board performed this function – 100%, though the government came up with a standard fees structure for all the TVET Institutions.

- (t) Mobilizing resources for the institutions;**

### **9. Management Discussion and Analysis**

The college has performed well during last financial year. We were able to maintain discipline of both staff and students and made sure that training went on well. This can be attested by the good final examination results received during the year where the college posted 80% pass overall. The college also performed well financially. We were able to accomplish all financial decisions made. All the statutory deductions were remitted on time, this included; NHIF, NSSF, NITA and, PAYE and Affordable Housing Levy.

The college ended the year with no outstanding bills. The main risks facing the college are financial due to low student population growth, reduced government grant and no development funds. The funding received from capitation is all going to recurrent expenditure leaving almost nothing to developments. Since the college is only three years old, it requires a lot of financial support to put up more infrastructures to be able to admit more students. We have no office space, ablution block, and lecture rooms hence the college existence is at great risk.

### **10. Environmental And Sustainability Reporting Statement**

Mwea TVC exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on Social pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

**Innovation and technology-** the college has put a lot of Effort in sustainability related R&D in order to reduce environmental impacts in new products and in business activities of training. The college uses BAT (best available techniques) and integrated environmental technologies. we concentrate on cleaner production and zero-emission technologies.

**Collaboration** – the college maintained a good cooperation and active collaboration with various business partners which included suppliers, R&D institutions, universities and TVET institutions working in common programs and networks on innovative products and technologies. Exchange of information and knowledge through TVET fair.

**Knowledge management** – the college have planned, developed, organized, maintained, transferred, applied and measured specific knowledge and to improve the organizational knowledge base.

**Processes-** Clear processes and roles are defined so that college activities are efficiently conducted and that every employee knows what the college management expects from him or her.

**Purchase-** the college had a good Relationship with suppliers focusing also on sustainability.

**Sustainability reporting** – the college maintained Considerable reporting of sustainability issues within the board meeting reports.

### **Environmental performance**

This dimension deals with environmental impacts due to corporate activities. These environmental impacts are caused by resource use and emissions into air, water, ground and hazardous waste.

This dimension is mainly measured by impacts, but within corporate sustainability strategies the focus has to be laid on the effects causing these impacts, e.g., the higher the maturity levels are the more it has to be concentrated on causes rather than on effects.

**Emissions into the air-** Emissions into the air due to corporate activities the college does not emit any pollution to air as we are training and not manufacturing.

**Emissions into the water -** Emissions into the water due to corporate activities -none

**Emissions into the ground -** Emissions into the ground due to corporate activities- none

**Waste and hazardous waste-** Waste and hazardous waste due to corporate activities- none

**Biodiversity Impact on biodiversity due to corporate activities**

Environmental issues of the product Environmental aspects of the product over the whole life cycle

### **Employee welfare**

Corporate governance- Transparency in all its activities in order to ameliorate relationship towards its stakeholders. During the financial year, the college recruited staff using the laid down recruitment procedures. This was done through the guidance of public service commission who Give insight into all relevant data; following rules of on recruitment of the corporate governance and defining responsibilities and behavior of the board.

**Staff Motivation and incentives** – this is an Active involvement and exemplary function of management on sustainability of all the Employees Being Aware of their needs, claims and motivation factors of employees in order to implement sustainability sufficiency into the organization due to support of management for acting in sustainable way (e.g. time, money, resources). The management Developed and implemented incentives and reward systems (monetary and non-monetary).

**Health and safety** – the college guarantee that no health and safety risks occur when working in/for the college. No negative impact of employees' physical health at any time was reported. The college has envisioned operation of programmes for employees to prevent dangers and to stay generally fit and healthy.

**Human capital development** - Development of human capital for sustainability related issues through specific programmes is key to any organization. The college has sponsored staff to various seminars and workshops and also allowed others join holiday classes. The college has also encouraged Broad cross-working education (job enrichment, job enlargement) for staff in order to become aware of the different challenges and issues of corporate sustainability.

**Market place practices-**

- a) **Responsible competition practice.**  
The college practices responsible competition by following normal procedure of marketing. The college has developed an anti-corruption policy and non-political adherence.
- b) **Responsible Supply chain and supplier relations-**  
The college has list of suppliers who were prequalified through advertisement. The policy of the college is to pay all the bills at the end of every month and this has created a good rapport with her suppliers and service providers.
- c) **Responsible marketing and advertisement**  
The college carries out normal marketing through media and organized talks.
- d) **Product stewardship**  
Trainees trained in Mwea Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills and Technology to make a difference in this generation and generations to come. The Mwea Technical and Vocational College is committed to offering the best and top quality training.

**Corporate Social Responsibility / Community Engagements**

The college did not have much on corporate social responsibilities because it is only three years old and still struggling financially and relying 100% on government funding. But in the year under review, we had organised a career talk for all the school leaver within Mwea sub-county

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

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the *Mwea TVC* affairs.

**Principal activities**

Provide relevant quality training programs and produce skilled manpower for sustainable human development

**Results**

The results of Mwea TVC for the year ended June 30 2024 are set out on page 1 to 5

**Board of Governors**

The members of the Board who served during the year are shown on page IX to XII.

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**Auditors**

The Auditor General is responsible for the statutory audit of Mwea TVC 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**

**Date:** 8/5/2025

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

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

The Board members are responsible for the preparation and presentation of the *Mwea TVC's* financial statements, which give a true and fair view of the state of affairs of the *College* for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of *Mwea TVC*, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the *College's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*) The Board members are of the opinion that *Mwea TVC's* financial statements give a true and fair view of the state of *College's* transactions during the financial year ended June 30, 2024, and of the *College's* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *College* which have been relied upon in the preparation of the *College's* financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the *College's* ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that *Mwea TVC* will not remain a going concern for at least the next twelve months from the date of this statement.

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**Approval of the financial statements**

Mwea TVC financial statements were approved by the Board on 24/02/2025 and signed on its behalf by:



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



.....  
**Name** TAREITHA JESSE  
**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 MWEA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

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### 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 Mwea Technical and Vocational College set out on pages 1 to 20, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in

Net assets, statement of cash flows and statement of Comparison of Budget and Actual Amounts for year then ended 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Mwea Technical And Vocational College as at 30 June, 2024 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 Public Finance Management Act, 2012 and Technical and Vocational Education and Training Act, 2013.

### **Basis for Qualified Opinion**

#### **Variance Between Financial Statements and Supporting Schedules**

The financial statements reflect various account balances which differ with the balances reflected in the supporting schedules as illustrated below:

<b>Account description</b>	<b>Financial Statement Amount (Kshs)</b>	<b>Supporting Schedule Amount (Kshs)</b>	<b>Variance (Kshs)</b>
Teaching and Learning Materials	3,239,783	1,393,260	1,846,523
Electricity and Water	833,772	616,362	217,410
Travelling and Accommodation	1,109,150	417,650	691,500
Student College Cards	56,000	-	56,000
<b>Total</b>			<b>2,811,433</b>

The resultant variances have not been explained or reconciled.

In the circumstance, the accuracy and completeness of the respective amounts in the financial statements could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects a final budget of Kshs.13,954,500 and actual receipt of Kshs.10,272,401 resulting in budget shortfall of Kshs.3,68,099 or 26% of the budget.

The underperformance may have impacted negatively on College's planned activities.

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 matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Information**

#### **Conclusion**

The Management is responsible for the Other Information set out on page iii to xxviii which comprise of Key Entity Information and Management, Council/Board of Governors, Key Management team, Chairman's Statement, Report of The Chief/Senior Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Council/Board of Governors, Statement of Board of Governors/Council's Responsibilities and Report of the Independent Auditors on Mwea Technical And Vocational College.

The Other Information does not include the financial statements and my audit report thereon.

#### **Basis for Conclusion**

In connection with my audit on the College's, financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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 effects of the matter described in the Basis for Conclusion on

Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Non-Compliance with Minimum Requirements on Affirmative Action**

The statement of financial performance and Note 9 to the financial statements reflect employee costs amounting to Kshs.2,176,390. A review of employee records as of 30 June, 2024 indicated that 53% (7 out of 13) of the total staff members belong to a single ethnic community. This exceeds the one-third (33.3%) threshold prescribed under the Act. The review of the payroll for the year ended 30 June, 2024 noted that Management engaged a total of 13 staff under the Board of Governors (BOG) and 14 trainers seconded by the Public Service Commission (PSC). However, none of the employees were identified as persons living with disabilities. This is contrary to the statutory requirements on inclusivity and representation of persons with disabilities in public institutions, as outlined in relevant legislation and policy frameworks.

In the circumstances, Management was in breach of 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**

#### **Incomplete Asset Register**

Examination of the assets register provided for audit showed that it was incomplete, and lacked essential information such as the book value of the asset, the net book value, the depreciated amount, tag number, detailed asset description/name, make & model, serial number, department, room description, and asset status/condition, all of which are critical for effective asset management and verification. It was further noted that the college did not have an Asset management policy in place that would have provided a framework for

managing assets throughout their lifecycle, ensuring compliance with relevant laws and regulations.

In the circumstance, the effectiveness of the asset management system in place could be confirmed.

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

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

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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 IFPP 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**

**20 May, 2025**

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**14. Statement of Financial Performance For The Year Ended 30 June 2024**

	Note s	Period ended	Period ended
		30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2023
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	5	4,477,342	2,894,000
		<b>4,477,342</b>	<b>2,894,000</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	6	7,835,391	3,428,320
Miscellaneous income	7	0	27,800
<b>Revenue from Exchange transactions</b>		<b>7,835,391</b>	<b>3,456,120</b>
<b>Total Revenue</b>		<b>12,312,733</b>	<b>6,350,120</b>
<b>Expenses</b>			
Use of goods and services	8	5,794,107	3,827,731
Employee costs	9	2,176,390	2,056,849
Repairs and maintenance	10	1,583,289	157,147
Finance costs	11	19,912	12,344
<b>Total Expenses</b>		<b>9,573,698</b>	<b>6,054,071</b>
<b>Net Surplus for the year</b>		<b>2,739,035</b>	<b>296,049</b>

(The notes set out on pages 6 to 19 form an integral part of the Annual Financial Statements).

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



.....  
**Chairman of Board**

**Date** 08/05/2025



.....  
**Principal**

**Date** 8/5/2025



.....  
**Finance Officer**

**ID No.** 22913035

**Date** 8/5/2025

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**15. Statement of Financial Position As At 30th June 2024**

Description	Notes	Period ended	Period ended
		30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	12	883,683	1,368,680
Current portion of receivables from exchange transactions	13	5,128,829	1,904,797
<b>Total Current Assets</b>		<b>6,012,512</b>	<b>3,273,477</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	14	179,217,705	178,004,005
<b>Total Non-Current Assets</b>		<b>179,217,705</b>	<b>178,004,005</b>
<b>Total Assets (A)</b>		<b>185,230,217</b>	<b>181,277,482</b>
<b>Current Liabilities</b>			
<b>Current Liabilities</b>	15	2,538,132	0
<b>Prepaid fees</b>	16	1,286,309	0
<b>Payables (Caution)</b>	17	194,000	101,000
<b>Total Liabilities</b>		<b>4,018,441</b>	<b>101,000</b>
<b>Net Assets (A-B)</b>		<b>181,211,776</b>	<b>181,176,482</b>
<b>Represented By:</b>			
Accumulated Surplus		6,012,512	3,273,477
Capital Fund		179,217,705	178,004,005
<b>Net Assets</b>		<b>185,230,217</b>	<b>181,277,482</b>

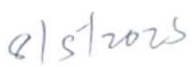
The Financial Statements set out on pages 1 to 5 were signed by:

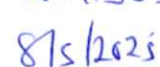
  
 .....  
**Chairman of Council/Board**

  
 .....  
**Principal**

  
 .....  
**Finance Officer**

**Date** 

**Date** 

**ID No** 22913035  
**Date** 

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**16. Statement of Changes in Net Asset For The Year Ended 30 June 2024**

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2022</b>	-	<b>180,643,433</b>	-	<b>180,643,433</b>
Surplus for the year	-	296,049		296,049
<b>Capital</b>	-		338,000	338,000
<b>At June 30, 2023</b>		<b>180,939,482</b>	<b>338,000</b>	<b>181,277,482</b>
<b>At July 1, 2023</b>	-	<b>180,939,482</b>	<b>338,000</b>	<b>181,277,482</b>
Surplus for the year	-	2,739,035		2,739,035
Grant			1,213,700	1,213,700
<b>At June 30, 2024</b>	-	<b>183,678,517</b>	<b>1,551,700</b>	<b>185,230,217</b>

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**17.Statement of Cash Flows For The Year Ended 30 June 2024**

<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		4,477,342	2,894,000
Rendering of services- fees from students		5,825,059	4,142,143
Miscellaneous income		0	27,800
<b>Total Receipts</b>		<b>10,302,401</b>	<b>7,063,943</b>
<b>Payments</b>			
Use of goods and services		5,794,107	3,827,731
Employee costs		2,176,390	2,056,849
Repairs and maintenance		1,583,289	157,147
Finance costs		19,912	12,344
<b>Total Payments</b>		<b>9,573,698</b>	<b>6,054,071</b>
<b>Net cash flow from operating activities</b>		<b>728,703</b>	<b>1,347,872</b>
<b>Cash flow from Investing Activities</b>			
Purchase of property, Plant and Equipment		(1,213,700)	(338,000)
<b>Net (Decrease in Cash and Cash equivalents</b>		<b>(484,997)</b>	<b>1,009,872</b>
Cash and Cash equivalents at 1 JULY		1,368,680	358,808
<b>Cash and Cash equivalents at 30 JUNE 2024</b>		<b>883,683</b>	<b>1,368,680</b>

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2024**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	2,000,000	-	2,000,000	4,477,342	2,477,342	224% NOTE 1
Rendering of services- fees from students	11,580,500	-	11,580,500	5,795,059	5,785,441	50% NOTE 2
Other Income	374,000	-	374,000	-	374,000	NOTE 3
<b>Total Income</b>	<b>13,954,500</b>	<b>-</b>	<b>13,954,500</b>	<b>10,272,401</b>		
<b>Expenses</b>						
Use of goods and services	8,571,225	-	8,571,225	5,794,107	2,777,118	68% NOTE 4
Employee costs	3,141,600	-	3,141,600	2,176,390	965,210	69% NOTE 5
Board Expenses	429,000	-	429,000	-	(429,000)	NOTE 6
Repairs and maintenance	580,000	-	580,000	1,583,289	(1,003,289)	273% NOTE 7
Finance Cost	-	-	-	19,912	(19,912)	
<b>Total Expenditure</b>	<b>13,954,500</b>	<b>-</b>	<b>13,954,500</b>	<b>9,573,698</b>		
<b>Deficit For the Period</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>(484,997)</b>		
<b>Capital Expenditure</b>	<b>1,232,675</b>	<b>-</b>	<b>1,232,675</b>	<b>1,183,700</b>	<b>48,975</b>	<b>96%</b>

**NOTES**

1. The College received capitation and grant from national Government which was prudently used by the college.
2. The college did not attain full fees from students as government did not disburse full capitation of Ksh 30,000 per trainee. This was also caused by many trainees not able to pay their fees in full. The management has encouraged trainees to apply for HELB and bursaries.
3. The college was not able to realise other incomes as budgeted. This issue will be rectified going forward whereby Income generating Units will be established and more emphasized will be done in this area.
4. There was minimal requisition and purchase of training materials and learning equipment as the enrolment was still low and many trainees had not paid fee in full.
5. The college did not employ more trainers and support staff as there was low enrolment of trainees during the financial year.

**MWEA TECHNICAL AND VOCATIONAL COLLEGE**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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6. Board allowances for board members are included under use of goods under administration cost
7. There were major repairs done during the financial year ended 30<sup>th</sup> June 2024

**19. Notes to the Financial Statements**

**1. General Information**

Mwea TVC is established by and derives its authority and accountability from TVET Act. Mwea TVC is wholly owned by the Government of Kenya and is domiciled in Kenya. The college principal activity is provide relevant quality training programs and produce skilled manpower for sustainable human development

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

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *College's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 1 to 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of MTVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**3. Adoption of New and Revised Standards**

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

There are no new standards in the year ended 30th June 2024

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1<sup>st</sup> January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that

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	<p>satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b>  The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b>  This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b>  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>

**iii. Early adoption of standards**

Mwea TVC did not early adopt any new or amended standards in year 2024.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**Sale of goods**

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

**b) Budget information**

The original budget for FY 2023/2024 was approved by the Board on 11/12/2023 No revisions or additional appropriations were made to the approved budget.

The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same

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basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section *ii* of these financial statements.

**c) Taxes**

***Current income tax***

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

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

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

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

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

**d) 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 entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

*Financial assets*

**Classification**

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

**Subsequent measurement**

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

**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.

**e) 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.

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- 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 *Entity*.

**f) Related parties**

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

**g) Cash and cash equivalents**

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

**h) Comparative figures**

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

**i) 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, 2024.

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

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	1,147,000	894,000
Operational Grant	2,000,000	2,000,000
Government Scholarship	1,330,342	0
<b>Total unconditional Grants</b>	<b>4,477,342</b>	<b>2,894,000</b>
<b>Total Government Grants and Subsidies</b>	<b>4,477,342</b>	<b>2,894,000</b>

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

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of Technical training	4,477,342	-	-	4,477,342	2,894,000
<b>Total</b>	<b>4,477,342</b>	<b>-</b>	<b>-</b>	<b>4,477,342</b>	<b>2,894,000</b>

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**6. Rendering of Services**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Tuition Fees	2,895,141	1,615,520
Personal Emolument	1,910,325	675,840
Electricity, Water and Conservancy	568,915	200,920
Local Travel and Transport	572,465	180,070
Repair Maintenance and Improvement	419,370	94,670
Industrial Attachment Fees	370,800	135,600
Activity Fees	648,075	183,300
Student Welfare	53,400	31,600
Registration	220,500	111,000
Student Cards	29,400	14,800
Caution	73,500	37,000
ICT Infrastructure	0	37,000
KUCCPS	0	111,000
TVETA	73,500	0
<b>Total Revenue from The Rendering of Services</b>	<b>7,835,391</b>	<b>3,428,320</b>

Rendering of services is made of fee charges as invoices to all the trainees who reported during the financial year 2023/2024 as per the fees structure

**7. Miscellaneous Income**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Productivity	0	27,800
<b>Total other income</b>	<b>0</b>	<b>27,800</b>

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**8. Use of Goods and Services**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 June 2023
	Kshs	Kshs
Teaching and learning materials	3,239,783	1,677,797
Industrial attachment costs	0	6,133
Electricity and Water	833,772	168,287
Examination fees	306,237	389,356
Travelling and accommodation	1,109,150	971,098
Activity	249,165	471,600
Students College Cards	56,000	3,390
Productivity	0	109,070
Tender	0	31,000
<b>Total good and services</b>	<b>5,794,107</b>	<b>3,827,731</b>

**9. Employee Costs**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Salaries and wages and		1,992,449
<i>NSSF</i>		48,000
<i>NHIF</i>		16,400
<b>Employee Costs</b>	<b>2,176,390</b>	<b>2,056,849</b>

**10. Repairs and Maintenance**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Furniture and fittings	1,583,289	157,147
<b>Total Repairs and Maintenance</b>	<b>1,583,289</b>	<b>157,147</b>

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**11. Finance Costs**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Bank Charges	19,912	12,344
<b>Total Finance Costs</b>	<b>19,912</b>	<b>12,344</b>

**12. Cash and Cash Equivalents**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
Current Account	881,755	1,320,355
Cash in Hand	1,928	48,325
<b>Total Cash and Cash Equivalents</b>	<b>883,683</b>	<b>1,368,680</b>

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

Financial Institution	Account number	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1275062849	881,755	1,320,355
<b>Sub- Total</b>		<b>881,755</b>	<b>1,320,355</b>
<b>Sub- Total</b>		<b>1,928</b>	<b>48,325</b>
<b>Grand Total</b>		<b>883,683</b>	<b>1,368,680</b>

**13. Receivables from Exchange transactions**

**13 (a) Current Receivables from Exchange transactions**

Description	Period ended 30 <sup>th</sup> June 2024	Period ended 30 <sup>th</sup> June 2023
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	5,128,829	1,904,797
<b>Total Current Receivables</b>	<b>5,128,829</b>	<b>1,904,797</b>

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**13(b) Ageing Analysis of Receivables from Exchange transactions**

Description	Period ended 30 <sup>th</sup> June 2024		Period ended 30 <sup>th</sup> June 2023	
	Kshs		Kshs	
	Current FY	% of total	Comparative FY	% of total
Less than 1 year	3,694,859	72	995,272	70
Between 1- 2 years	852,500	17	361,900	17
Between 2-3 years	350,720	7	247,625	13
Over 3 years	230,750	4	0	0
<b>Total</b>	<b>5,128,829</b>	<b>100</b>	<b>1,904,797</b>	<b>100</b>

**14. Property, Plant and Equipment**

Cost	Land	Buildings	Furniture and fittings	Computers	Plant and equipment	Soft wares	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2022	4,000,000	52,550,395	-		121,115,610		177,666,005
Additions	-	-	283,000	55,000	-		338,000
<b>NBV AS AT 30<sup>TH</sup> June 2023</b>	<b>4,000,000</b>	<b>52,550,395</b>	<b>283,000</b>	<b>55,000</b>	<b>121,115,610</b>		<b>178,004,005</b>
As 1st July 2023	4,000,000	52,550,395	283,000	55,000	121,115,610		178,004,005
Additions			762,700	386,000	65,000		1,213,700
<b>Net Book Values 2024</b>	<b>4,000,000</b>	<b>52,550,395</b>	<b>1,045,700</b>	<b>441,000</b>	<b>121,180,610</b>		<b>179,217,705</b>
At 30 <sup>th</sup> June 2024	4,000,000	52,550,395	1,045,700	441,000	121,180,610		179,217,705

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**15. Creditors**

College Creditors	2,538,132	0
<b>Total</b>	<b>2,538,132</b>	<b>0</b>

**16. Prepaid fees**

Prepaid fees	1,286,309	0
<b>Total</b>	<b>1,286,309</b>	<b>0</b>

**17. Payable(Caution)**

Student Caution	194,000	101,000
<b>Total</b>	<b>194,000</b>	<b>101,000</b>

MTVC also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. MTVC obligation under the scheme is limited to specific contributions legislated from time to time and currently had no obligation as at 30<sup>th</sup> June 2024.

**15. Financial Risk Management**

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

MTVC financial risk management objectives and policies are detailed below:

**(i) Credit risk**

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

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

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the College's management based on prior experience and their assessment of the current economic environment.

**(iii) Market risk**

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the college's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The college's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

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

**16. Related Party Balances**

**Nature of related party relationships**

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

**Government of Kenya**

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

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

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

Description	Period ended	Period ended
	30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2023
	Kshs	Kshs
<b>Transactions with Related Parties</b>		
<b>A) Purchases from related parties</b>		
Purchases of electricity and water	833,772	168,287
<b>Total</b>	<b>833,772</b>	<b>168,287</b>
<b>a) Grants /Transfers from the Government</b>		
Grants from National Govt-Capitation	1,147,000	894,000
Grants from National Govt-Government Scholarship	1,330,342	0
Grants from National Govt-Operational Grants	2,000,000	2,000,000

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<b>Total</b>	<b>4,477,342</b>	<b>2,894,000</b>
<b>Total</b>	<b>5,311,114</b>	<b>3,062,287</b>

**17. Events After The Reporting Period**

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

**18. Ultimate And Holding Entity**

Mwea Technical and Vocational College is under the State Department for Technical, Vocational Education and Training under the Ministry of Education. Its ultimate parent is the Government of Kenya.

**19. Currency**

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



