

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 25 JUN 2025	DAY. WEDNESDAY
TABLED BY:	MAJORITY LEADER
CLERK-AT-THE-TABLE:	FINLAY

THE AUDITOR-GENERAL

ON

**MANYATTA TECHNICAL AND
VOCATIONAL COLLEGE**

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



MANYATTA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Manyatta Technical and Vocational College
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B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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2. Key College Information and Management

(a) Background information

Manyatta Technical and Vocational College was established under the TVET Act of 2013. The College is domiciled in Kenya and is under the Ministry of Education, State Department for TVET.

Manyatta TVC was established in 2020 as a Technical and Vocational College on a 5 acre piece of land donated by the local community. This was made possible through the efforts of Hon. John Muchiri, the Area MP then.

The College derives its mandate from the TVET Act of 2013. The management of the College is under a Board of Governors appointed by the Cabinet Secretary, Ministry of Education.

The Principal is the Secretary to the Board of Governors and the Chief Executive Officer of MTVC. He is in charge of the day-to-day running of the College and is assisted by two Deputy Principals, Registrar, Dean of Students and Heads of Departments.

MTVC offers training in Competence Based Education (CBET) in all courses and course levels. The courses are offered in six academic departments namely Mechanical and Automotive Engineering, Building and Civil Engineering, Electrical and Electronics Engineering, Hospitality and Tourism Management, Fashion Design and Cosmetology and Computing and Informatics. Other support departments include Examinations office, Guidance & Counselling, Industrial Liaison, and Sports, Research and Quality Assurance.

(b) Principal Activities

The principal activity/mission/ mandate of the College is to train technical courses.

Vision

To be a Centre of excellence in Education and Training for Sustainable Development.

Mission

To provide education and training which is responsive to the needs of the industry for sustainable development.

Core Functions

- a) Manage and administer Science, Technology and Technical education activities.
- b) Integrate Science, Technology and Innovation in National Development
- c) Promote research Science & Technology, development of human resource base.
- d) Monitor and evaluate Scientific, Technological and Technical education activities in Kenya.
- e) Formulate review and co-ordinate National Science, Technology and Technical Education policies.

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Core Mandate

- a) Offer training programmes in Science and Technology through a developed curriculum.
- b) Promote education through provision of knowledge, skills and practical attitudes to trainees.
- c) Diversify training programmes in the area of TVET.
- d) Develop income generating production units for self-sustainability.
- e) Develop policy frame work for collaboration with other institutions offering higher academic levels of education in Science and Technology.
- f) Create a Centre of Excellence in Building and Civil Engineering.

(c) Key Management

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

- Board members
- Accounting officer/ Principal
- Deputy Principal Administration and Academic
- Heads of Departments both Academic and Non-academic

(d) Fiduciary Management

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

SN.	Designation	Name
1)	Chief Principal	David Njagi Nthuci
2)	Deputy Principal Administration	John Njoroge Mwangi
3)	Deputy Principal Academics	Symon Peter Muchira Njoka
4)	Registrar	Nelson Muthomi Nyaga
5)	Dean of Students	Ronald Kipng'etich Lagat
6)	Accounts officer	Bancy M. Nyaga

(e) Fiduciary Oversight Arrangements

Board Committees

To assist the Board in the discharge of its responsibilities, Board committees have been established. All the Board committees meet at least two times a year. The committees are as follows: -

i. Finance, Governance and Development committee

Responsibilities:

- a. To receive, consider and submit the proposed budget estimates from the various college departments for approval by the Board;
- b. To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Board
- c. To report to the Board all matters related to finance and development;
- d. To ensure that accurate records are kept on the establishments in the College;
- e. To consider and recommend to the Board the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the College;
- f. To report to the Board on the progress of physical infrastructure development of the College;
- g. To prepare College Development plans for an approved period and submit to the Board; and
- h. To exercise such other powers as the Board may from time-to-time delegate to the Committee.

ii. Audit, Risk and Compliance Committee

Responsibilities:

- a. To evaluate adequacy of management procedure with regard to issues relating to risk management, control and governance;
- b. To review external audit findings and recommendations and propose corrective and preventive actions where necessary;
- c. To review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- d. To initiate special audits and or investigations on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer; and
- e. To exercise such other powers as the Board may from time-to-time delegate to the Committee.

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3. Education, Training and Research committee

Responsibilities:

Human resource

- a. Continually examine the College's structure, core functions, staff establishment and if necessary, make proposals for harmonization and rationalization in order to eliminate possible wastage arising from redundancy, overlaps and duplications;
- b. Examine policy and procedures on employment
- c. Examine the procedures for assessment of needs for employment, staff development and procedures, staff training for operational efficiency and capacity enhancement for further development and consultancy services;
- d. Examine and review the terms and conditions of service;
- e. Examine the adequacy of the performance and reward system;
- f. Examine and review the staff welfare policy
- g. Establish & review the human resource policy, college scheme of service and career progression structure make recommendations for broad guidelines; and
- h. Propose innovative ideas for transformation of the college into a world-class college of higher learning and employer

Academic

- a) Formulation and Review of the Academic Policy
- b) Quality Assurance & standards evaluations
- c) Development and Implementation of New Programmes
- d) Determination of Resources:
 - i. Human Resource
 - ii. Teaching/Learning Materials
- e) Curriculum Evaluation
- f) Establish Linkage between the College and Industry
- g) Ensure Relevance of Courses to Market Needs
- h) In Charge of Graduations and Academic Awards

(f) College Headquarters

P.O. Box 2824-60100

12kms from Embu town- 1 km off Embu-Meru Highway

Kenya

(g) College Contacts

Telephone: (254) 740572437

E-mail: manyattatvc@gmail.com

Website: www.manyattatvc.ac.ke

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(h) College Bankers

Equity Bank of Kenya Limited
Embu Branch
Along Embu-Meru Highway
P.O Box 1994
60100
Embu, Kenya.

(i) Independent Auditors





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

(j) Principal Legal Adviser





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

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3.The Board members

No	Name	Date Of Birth	Key Qualifications	Work Experience	Membership	Committee
1.	Prof. Madrine King'endo 	1970	Holder of PhD in Special Education Master's degree in Educational Psychology	Lecturer University of Embu	Board Chairperson	
2.	Rev. Jackson P. Ngari 	10/09/1968	PhD-Biblical Studies	ACK Diocese of Embu Education Secretary	Board Member	Education, Training & Research
3.	Caroline W. Nyaga 	27/09/1990	Bachelor of commerce (BCOM) Finance option	Spread Capital Ltd Head of Business Development	Board Member	Chairperson Finance, Governance & Compliance
4.	Florence N. Musyoka 	1964	Bachelor of Engineering Civil Environment Engineering and Resource Management	CEC Embu County Government Water, Irrigation, Environment, Climate Change and Natural Resources	Board Member	Finance, Governance & Development.

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No	Name	Date Of Birth	Key Qualifications	Work Experience	Membership	Committee
5.	George Njeru 	1968	Master of Science in Industrial Engineering and Management	Meru University of Science and Technology	Board Member	Chairman Audit, Risk & Compliance.
6	Julius O. Odumbe 	1968	MBA BSc Eng.	General Manager Operations Power Plant Management KENGEN	Board Member	- Finance, Governance & Development - Education, Training & Research
7	Nelly C. Kiplangat 	6/10/1990	MSc. Geospatial Information Systems and Remote Sensing	Tutorial Fellow in GIS technologies, water and environmental Engineering - Technical University of Kenya	Board Member	Education, Training & Research
8	Peter Kaume 	1972	Master's Degree	Regional TVET Director Upper Eastern	PS Representative	

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No	Name	Date Of Birth	Key Qualifications	Work Experience	Membership	Committee
9	David Njagi Nthuci 	03/08/1965	Bachelor of Science in Mechanical Engineering	Chief Principal Manyatta Technical and Vocational College	Board Secretary	Principal

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4. Key Management Team

SN.	Member/ Director	Details
1)	<p>Mr. David Njagi Nthuci</p> 	<p>He is the Chief Principal, Secretary to the Board and the accounting officer</p>
2)	<p>Mr. Symon Peter Muchira Njoka</p> 	<p>He is the Deputy Principal Academics</p>
3)	<p>Mr. Nelson Muthomi Nyaga</p> 	<p>Registrar</p>

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SN.	Member/ Director	Details
4)	 Ronald Kipng'etich Lagat	Dean of students
5)	 Bancy Muthoni Nyaga	Accounts

5. Chairperson's Statement

I feel honoured and duty – bound to present an over view of the Manyatta Technical and Vocational College (MTVC) performance for the year ended 30th June, 2024. The Board played its rightful role in the College governance and remained steadfast and united in support of efforts by MTVC management in transforming the College into a regional and global centre of academic and research excellence.

It is imperative to note that the College was established in the year 2020 and the Board of governors appointed on 17th March, 2022.

The College Board is focused to position the MTVC as cradle of knowledge in providing quality education, teaching, research and innovation community outreach that meet the needs of a dynamic society. The College has been keen on addressing national aspirations by conforming to national policies as envisioned in the President's Bottom Up Economic Transformation Agenda (BETA).

In effort to promote excellence in all its operations, the MTVC management has a proactive team of heads of departments who are the central enabler for quality service delivery. The College has organized activities to emphasize the benefits from team work and the need to leverage on the shared goals for the achievement of the institutional vision. The MTVC top management under the guidance of the Board will endeavour to develop and sustain a shared vision for the benefit of the institution and all it current and potential stake holders.

The College has endeavoured to achieve quality teaching and learning by developing quality academic delivery model in the light of the dynamic and changing trends in higher education nationally and globally. It has identified clear pathways in training and research by introduction of additional training programme that support economic transformation of the immediate community and the nation at large by equipping its trainees with knowledge, skills and attitudes for the dynamic labour market. Expanding of the academic programme will contribute significantly towards creating a broad knowledge – based economy to meet the human resource requirements for the rapidly changing and diversified local and global economy

MTVC has actively participated in community service social – distanced activities which include the promotion of peer counselling activities and organising health talks geared towards health living.

I wish to finally thank the government of Kenya, Board members, management, staff, trainees and other stake holders for their continued support over the year in striving to make MTVC a Centre of excellence for vocational and Technical Training.

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Dr. Madrine King'endo

Chairperson to the Board

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6. Report of the Chief Principal

It's with great pleasure that I present the annual report and financial statements for Manyatta Technical and Vocational College (MTVC) performance for the year ended 30th June, 2024.

This year has been a year with new challenges but also many other opportunities to improve and move forward. The staff and the management has risen to the challenges with great deal of resilience and determination. The College took great stride towards implementation of the CBET curriculum by engaging in continuous training of our trainers in collaboration with CDACC and in addition, mounting structures for the CBET training.

The year also saw the College implement a massive programme of improving our infrastructures including

- a) Modern furniture for the trainers
- b) Expanding internet and ICT infrastructures

Despite these successes, we have faced some challenges in acquiring tools and equipment since to date the government has not supplied the earmarked equipment. The College also has been engaging in marketing campaigns to increase enrolment.

We acknowledge that we require a lot of investment in both financial and human capacities which continue to stretch the scarce financial resources at our disposal.

These challenges are also compounded by the heavy financial burden incurred by the College as remuneration for trainers hired under governing Board terms as the PSC has not been able to provide adequate human resource to enable the College deliver her mandate

We would like in a special way to thank the government of Kenya for the renewed commitment to TVET and recognizing technical training as a mode for achieving the vision 2030. The funding of trainees through capitation and provision of loans and bursaries by HELB.

MTVC remain committed to quality training and declare our resolve to continue addressing the opportunities and challenges that come our way, more so in playing our role in the realization of President's Bottom Up Economic Transformation Agenda (BETA).

We also greatly appreciate the Board of Governors, staff, trainees and all stake holders who have contributed greatly in their own way to make the College a Centre of excellence for vocational and Technical Training.

Mr. David Njagi Nthuci



Chief Principal,

Secretary to the Board

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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 College's performance against predetermined objectives.

Manyatta Technical and Vocational College has 7 strategic pillars and objectives within its Strategic Plan for the FY 2021/2022 to 2023/2024. These strategic pillars are as follows:

1. To develop infrastructure that has the capacity to produce professionals in the business, vocational and technical fields.
2. To provide equity and fairness through interventions by considering vulnerable groups by enabling, sensitizing and creating awareness.
3. To implement curricular that ensures relevance and adequacy in the provision of skills that match the challenges and expectations of the industry.
4. To develop and ensure retention of qualified staff addressing their personal and professional needs.
5. Create and deepen partnerships and linkages beneficial to the college.
6. Enhance and improve trainee welfare.

1. To provide additional working infrastructure for quality service delivery
2. To produce quality and globally competitive holistic graduates
3. To promote and entrench into the College a culture of scientific research and innovation that supports development
4. To boost student enrolment and retention
5. To promote production units for income generation
6. To create and deepen collaborations, partnerships and linkages beneficial to the College
7. To improve and enhance trainee welfare

Manyatta Technical and Vocational College develops its annual work plans based on the above 7 pillars. The Board achieved its performance targets set for the FY 2023/2024 period for its 7 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Additional Working Infrastructure	To construct a Plumbing wall	The proposal was approved by the Board awaiting implementation.	Preparation of Bill of Quantities and drawings, and construction	Achieved
Quality and Globally Competitive Graduates	Attach all trainees due for industrial attachment in the relevant field of study for hands on training	All the 72 trainees were successfully attached and assessed	Trainers Visited and Assessed all the 72 attaches	Achieved

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Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Scientific research and Innovation	Complete Multipurpose complex	Multi-purpose Complex 100% Complete	100% complete	100% Complete.
Student enrolment and retention	To increase the student population to a minimum of 1,000 students	Customer satisfaction and retention	Marketing of the college in the neighbouring counties	Number of students increased from 138 to 316.
Production Units for income generation	Start production unit courses in Computer packages	Trainees enrolled in Computer packages	Work in Progress	Achieved
Collaborations, Partnerships and Linkages	Collaborate with:			Not Achieved
Trainee Welfare	Support provision of 400 trainee welfare programs such as recreational activities and physiological counselling and health services	Customer lifetime value	The Guidance & counselling department was fully functional to facilitate 400 trainee welfare.	Achieved

The strategic pillars as highlighted above are a true reflection of how the Board of Governors would like to see the institution in 5 years of the strategic plan.

8. Corporate Governance Statement

Manyatta Technical and Vocational College is governed by the Board that consist of 9 members appointed by the Cabinet Secretary, Ministry of Education as follows:

- a) Chairperson and six other members appointed through an open process
- b) One member representing Principal Secretary on matters relating to education
- c) The principal who is an ex- official member of the Board.

The appointment of the Chairperson and other members of the Board is done by the Cabinet Secretary, Ministry of Education through a gazette notice to serve for period of three (3) years renewable once. The Board members who served during the year under review were appointed vide a gazette notice _____ of _____. For the purpose of succession planning the Cabinet Secretary shall stagger the appointment of some members to maintain a proportion of new membership that ensures continuity in the services of the Board

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Names of the MTVC Board members

No	Name	Designation	Term status
1.	Dr. Madrine King'endo	Board Chair	On-going
2.	Mr. David N. Nthuci	Chief Principal	On-going
3.	Mr. Peter Kaume	PS rep	On-going
4.	Rev. Jackson P. Ngari	Member	On-going
5.	Caroline W. Nyaga	Member	On-going
6.	Florence N. Musyoka	Member	On-going
7.	George N. Njeru	Member	On-going
8.	Eng. Julius O. Odumbe	Member	On-going
9.	Nelly C. Kiplangat	Member	On-going

Roles and functions of MTVC Board

The role and functions of the Board are outlined in Kenya gazette supplement no, 14 – legal notice number 15. Dated 18th January, 2024. Which state that;

- a) The Board shall ensure that a proper management structure is in place and that the management maintains the corporate integrity, reputation and responsibility of the College.
- b) The Board shall monitor and evaluate the implementation of strategies, policies, and management plans of the College.
- c) The Board shall constantly review the viability and financial sustainability of the College at least once in every year.
- d) The Board shall ensure that the College complies with all the relevant laws, regulations, governance practices and accounting and auditing standards.

Induction and capacity building for the Board members

New members, once are appointed are inducted and issued with relevant documents to familiarize themselves with their roles as outlined in the law. Subsequent training is conducted to equip the board members with relevant knowledge and skills required to discharge their responsibilities effectively.

Board charter

The Board has board charter which outlines the powers and the responsibilities of the board, committee's terms of reference. Membership, appointment, remuneration, term of the board members, conduct of the meetings, conflict of interest among others. The charter is premised on the Mwongozo Code which guides on corporate governance practices.

Remuneration of the Board members

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The remuneration of the Board members is as per the guidelines set out by the state corporations advisory committee circulars and the national treasury directives in respect to sitting allowance, transport, and accommodation costs. Details of the full Board and committee allowances are included in the financial statement.

Conflict of interest

Board members are required to avoid conflict of interest and deal at arms-length in any matter of the College. Each member is obligated to disclose any real issues or potential conflict of interest, which may come to their attention whether directly or indirectly. During every Board meeting, members are required to make declaration of any conflict of interest they may have in the agenda of the day by way of signing a conflict-of-interest register. The register is maintained and updated accordingly.

Board members' performance

The performance of the Board and its members is evaluated on regular basis in order to gauge their performance and identify areas of improvement. During the year self-evaluation was conducted by the Board themselves.

Ethic and conduct

The Board members are expected to conduct themselves ethically, honestly and with integrity in all dealings as per the MTVC code of ethics and conduct.

Board Meeting attendance register

Full BoG Meeting

Full Board meeting

No	Name	Designation	Date						Attendance
			14/7/23	16/10/23	10/11/23	26/1/24	12/4/24	3/5/24	
10	Dr. Madrine King'endo	Chairperson	√	√	√	√	√	√	6
11	Mr. David N. Nthuci	Principal	√	√	√	√	√	√	6
12	Mr. Peter Kaume	PS rep	√	√	√	√	√	√	6
13	Rev. Jackson P. Ngari	Member	√	√	√	√	√	√	6
14	Caroline W. Nyaga	Member	√	√	√	√	√	√	6
15	Florence N. Musyoka	Member	√	√	√	√	√	√	6
16	George N. Njeru	Member	√	√	√	√	√	√	6
17	Eng. Julius O. Odumbe	Member	√	√	x	√	x	√	4
18	Nelly C. Kiplangat	Member	√	√	√	√	√	√	6

Audit, Risk & Compliance Board committee

No	Name	Designation	Date		Attendance
			29/7	7/6/	
1.	Rev. Jackson P. Ngari	Member	√	√	2

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2.	Caroline W. Nyaga	Member	√	√	2
3.	George Njeru	Member	√	√	2

Education, Training & Research Committee

No	Name	Designation	Date		Attendance
			15/2/2024		
1.	Rev. Jackson P. Ngari	Member	√		1
2.	Eng. Julius O. Odumbe	Member	x		0
3.	Nelly C. Kiplangat	Member	√		1

Finance, Governance & Development Board committee

No	Name	Designation	Attendance	
			22/6/2024	22/6/2024
1.	Caroline W. Nyaga	Member	√	1
2.	Florence N. Musyoka	Member	√	1
3.	Eng. Julius O. Odumbe	Member	√	1

9. Management Discussion and Analysis

1. Operational and Financial Performance.

Manyatta Technical and Vocational College continues to deliver its key mandate of provision of quality, vocational and technical training.

The institute relies heavily on fees paid by the trainees, which constitutes to over 75% of the total revenue in the 3 consecutive years. There has been growth in the revenue in the past 3 years

Expenditure for the past 3 years.

The institute expenditure has been evenly incurred across the financial years with use of goods & services being the highest

2. Compliance with Statutory Requirements.

The College complies with statutory requirements as follows

PAYE

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Income tax act, 1973 law of Kenya, places on employers an obligation to deduct and remit monthly income tax for all employees and be remitted to the pay master general on or before 9th day of the following month. MTVC has complied with the set deadline for remission.

NSSF

The NSSF Act, 2013, laws of Kenya, requires employers to deduct and remit NSSF deductions on monthly basis and remit the same on or before 9th of the following month. MTVC has been remitting the deductions to NSSF on time.

NITA

National Industrial Training Authority (NITA) is a state corporation established under the industrial training (amendment) act of 2011. Its mandate is to promote the high set standards in the quality and efficiency of industrial training in Kenya and ensure an adequate supply of properly trained manpower at all levels in the industry. Employers are required to pay NITA levy annually at monthly rate of kshs.50 per employee including a casual employee as per section 5 (CAP 237) of the industrial training act. MTVC has been ready to remit the levy to NITA upon receipt of invoice.

NHIF

NHIF Act, 1998. Laws of Kenya, requires the employer to deduct the NHIF dues and remit the same on or before the 9th of the following month. The College has complied with the NHIF act.

HELB

HELB Act.1995. Laws of Kenya, requires employers to deduct from wages or remuneration of the loanee(s) the amount of any loan as instructed by the board and submit within 15 days after the end of each month. MTVC has recovered HELB loans from staff as required and submitted the same within the stipulated fifteen days after the end of each month.

Housing levy

The Affordable Housing Act, 2024 designates KRA as the ‘Collector’ of the Affordable Housing Levy (AHL). With effect from 19th March, 2024, all Employers are required to deduct the AHL from the employee’s gross salary and remit together with the employer’s contribution as follows:

- a) One point five per centum (1.5%) of the employee’s gross monthly salary by the employee;
- b) One point five per centum (1.5%) of the employee’s monthly gross salary by the employer.

The due date for remittance of Affordable Housing Levy is the 9th working day after the end of the month. The College has complied with the housing levy act.

3. Major Risk.

The College principal financial assets are trade receivables and cash and cash equivalents which arise directly from its operations. The institute has financial liabilities comprising trade and other payable. MTVC is exposed to the following risk.

- a) Market risk
- b) Liquidity risk
- c) Credit risk
- d) Litigation risk

The Board has overall responsibility for the establishment and oversight of the MTVC risk management frame work.

Risk management policy have been established to identify and analyse the risks faced by the College, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policy and systems will be received regularly to reflect changes in economic conditions and the institution activities

Liquidity risk

This is the risk of facing liquidity challenges in meeting its financial obligations as and when they fall due. This can be caused by the reducing funding levels from both exchange & non exchange transaction.

Credit risk

MTVC faces credit risk arising from its customers who majorly provides the income from exchange transactions.

4. Material Arrears in statutory and Other Financial Obligations.

The College during financial year under audit did not have any material arrears in statutory and other financial obligations.

There is no major financial impropriety reported by internal audit/audit, risk, risk management & compliance committee of the Board, and external auditors.

10. Environmental and Sustainability Reporting Statement

MTVC 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 5 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

Sustainability strategy and profile

MTVC management has continued to put efforts on sustainability measures through creating relationships and collaborations with customers, stakeholders, and community, through quality teaching, exemplary academic performance and recruitment of competent staff. The management has also focused on marketing of MTVC programme in Embu County and the regions in order to attract more students. In the year ended, MTVC managed to attract more students compared to the proceeding years. We utilize resources without wastage and misappropriation by ensuring maximum value for the current and future generation.

The institute engages in promoting talents amongst its students by participating in TVET regional & national competition.

Environmental performance

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In order to integrate the local community in the environmental conservation and management to also serve as an example to the community and also have a demonstration effect to the rest of the surrounding community, MTVC through Government's initiative to plant 5 million trees planted 245 trees and encouraged the neighbouring community to do the same.

Employee Welfare

At Manyatta Technical and Vocational College, we value our employees who are directly or indirectly involved in training of our students and contribute to their potential to bring positive and social environmental change. We value the contribution that individuals and external entities make to our college through community consultation process.

The management of MTVC is dedicated to improving the working conditions for both staff and students. The institute provided modern comfortable furniture to the Heads of Departments and good meals to all staff

Market place practices-

- a) Responsible competition practice.

MTVC has a working and vibrant anti- corruption committee that reports to the ethics and anti- corruption commission. During the year under review, the institute sensitized its members on whistle blowing of any suspected cases of corruption. MTVC remained apolitical but maintained good relation with the county government in

MTVC adheres to the provision of PPDA and its regulations and ensure that all purchases are distributed equitably among all the groups; PWD, AGPO, Women and youths. bid to secure funding for her students through bursaries.

At the same time MTVC implemented activities under National Cohesion and values and corruption prevention in the strategic plan, during the year under review. All the measurements are geared towards improving the living standards and welfare of Kenyans.

- ii) In maintaining good business practice and treating well suppliers by honoring contracts and respecting payment practices the College during the year under review closed the year with pending bills that are within 90 days. This was made a reality by proper management of funds and making sure that funds are utilized where they are meant for.

Corporate Social Responsibility/Community Engagements-

The College carried out various corporate social responsibilities during the year under review.

- a) Planting 245 trees within the Manyatta TVC compound.
b) The College trainees and staff visited the Kevote Small Home with food stuff and performed some chores for them.

11. Report of the Board of Governors

Manyatta Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2024

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 College affairs.

Principal activities

The principal activities of the College are to provide competent skills through technology.

Results

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

Board of Governors

The members of the Board who served during the year are shown on page ix- x

Auditors

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended 30th June 2024.

By Order of the Board



.....
Secretary of the Board

Nairobi

Date: 12/07/2025

12. Statement of Board's Responsibilities

Manyatta Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2024

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 that College, which give a true and fair view of the state of affairs of the College at the end of the financial year and the operating results of the College for that year. The Board members are also required to ensure that the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the College. The Board members are also responsible for safeguarding the assets of the College.

The Board members are responsible for the preparation and presentation of the College'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 College,
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) Safeguarding the assets of the College,
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the College's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The Board members are of the opinion that the College's financial statements give a true and fair view of the state of College's transactions during the financial year ended June 30, 2023, 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 and nothing has come to the attention of the Board members to indicate that the College will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The College's financial statements were approved by the Board on _____ and signed on its behalf by:

Manyatta Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2024

.....
Name
Chairperson of the Board

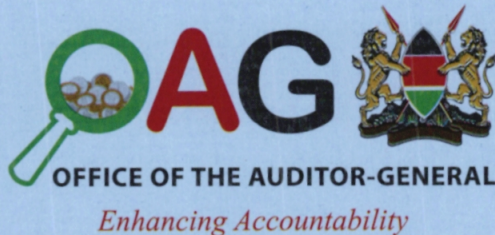

.....
Name *David Nthui*
Accounting Officer/Principal

13. Report of the Independent Auditor of Manyatta Technical and Vocational College

Manyatta Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2024



REPUBLIC OF KENYA



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

REPORT OF THE AUDITOR-GENERAL ON MANYATTA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

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.
- 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 Manyatta Technical and Vocational College set out on pages 1 to 27, which comprise of 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 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 Manyatta Technical and Vocational College 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 the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Expenditure on Seminars and Workshops

The statement of financial performance reflects use of goods and services amount of Kshs.6,873,975 which includes KATTI workshops and seminars amount of Kshs.572,968 as disclosed in Note 8 to the financial statements. However, back to office reports, signed attendance registers for the training, training program, transport tickets and training certificates were not provided for audit.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.572,968 could not be confirmed.

2. Inaccuracies in Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.61,757,802 which includes land balance of Kshs.20,000,000 as disclosed in Note 16 to the financial statements. However, a fixed asset register and land ownership documents were not provided for audit. The statement further reflects depreciation expenses amount of Kshs.1,403,633. However, the institution's policy on depreciation was not provided for audit.

In the circumstances, the accuracy and completeness of property, plant and equipment balance of Kshs.61,757,802 could not be confirmed.

3. Unsupported Inventory

The statement of financial position reflects inventory balance of Kshs.47,500. However, stock taking and valuation reports have not been provided for audit. This was contrary to Section 162(2) of the Public Procurement and Asset Disposal Act, 2015 which states that the head of procurement function shall arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the accounting officer.

In the circumstances, the accuracy and completeness of inventory balance of Kshs.47,500 could not be confirmed. In addition, Management was in breach of the law.

4. Unsupported Procurement of Conference Facilities

The statement of financial performance reflects use of goods and services amount of Kshs.6,873,975 which includes NCA certification hosting amount of Kshs.369,000 as disclosed in Note 8 to the financial statements. Review of records provided revealed that the amount was paid to a service provider for conference facilities. However, the management did not provide procurement documents like to show how the conference facility was sourced. Further, list of pre-qualified suppliers was not provided to show the supplier was verified by the management. In addition, receipts of payment, invoice and a signed list of attendance was not provided for audit review.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.369,000 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amount of Kshs.39,357,161 and Kshs.23,809,147 respectively leading to under-funding of Kshs.15,548,014 or 40% of the budget. Similarly, the College spent Kshs.10,482,639 against actual receipts amount of Kshs.23,809,147 resulting into under-utilization of Kshs.13,326,508 or 56% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

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, I have determined that there are no other key audit matters to report in the year under review.

Other Information

Management is responsible for the other information set out on page iii to xxvii which comprise of the College's information and overall performance, statement of performance

against the College's predetermined objectives, Environmental and Sustainability Reporting and the statement of College's management responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The Chairperson's statement, the statement of Board's responsibility, the statement of financial performance and the statement of financial position have not been signed by the Chairperson.
- ii. The ICPA(K) membership No. for the Finance Officer who signed the financial statements has not been indicated.
- iii. Corporate governance statement, report of the Board of Governors, report of the Auditor-General and management discussion and analysis do not begin on a fresh page.
- iv. The Corporate Governance statement does not indicate the date of appointment of members of the Board of Governors;
- v. The headings in Notes to the financial statements have been indicated as 'period ended 30 June, 2023' and 'comparative period' respectively instead of '2021-

2022' and '2022-2023' respectively in accordance with the financial reporting template;

- vi. The implementation status of Auditor-General recommendations has not been signed by the Accounting Officer.

In the circumstances, Management was in breach of the PSASB guidelines and IPSAS and lack of relevant information may affect users' reliance on the financial statements for decision making.

2. Late Submission of Financial Statements for Audit

The College's financial statements for the year ended 30 June, 2023 were submitted to the Office of the Auditor-General on 4 April, 2025, which was after the statutory date of 30 September, 2023.

This was contrary to 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Approved Information Communication Technology Policy

The College did not have an approved Information Communication Technology (ICT) policy. In absence of an approved ICT policy, the College did not have clear guidelines in respect to data security, backup plans, password and user account management and disaster recovery plans.

In the circumstances, the reliability, integrity and recoverability of the school data could not be confirmed.

2. Lack of Internal Audit Function

Review of available records revealed that the college had not established an internal audit unit as of 30 June, 2023. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which stipulates that the entity should ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. The internal audit unit would have performed various roles stipulated by regulation 160(1) of the Public Finance Management (National Governments) Regulations, 2015 including risk assessment, putting in place a risk register, and assessing the internal controls mechanism. In the circumstances, the risks may have remained unidentified hence no mitigation mechanism in place.

In the circumstances, Management of the College operated without a mechanism for assessing and mitigating financial and operational risks.

3. Lack of Risk Management Policy

A review of the college's internal controls revealed that the college did prepare and approve a risk management policy. Therefore, the College does not have a framework for the management of risk and has not documented, risks identified, assessed and risk controls measures contrary to Section 165 of the Public Finance Management (National Government) Regulations 2015 states that the accounting officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and system of risk management and internal control that builds robust business operations.

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

4. Lack of Human Resource Policy

Review of the Management and Governance structure revealed that the College had not formulated a Human Resource Policy that would guide on the human resources management. The College did not also have staff establishment and scheme of service, which may lead to inefficient utilization of resources.

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

5. Lack of Accounting and Procurement Departments

During the financial year ended June, 2024, it was revealed that the institution did not have the personnel in accounting and procurement departments to effectively authorize the expenditure. In the circumstance, the authenticity of payments made cannot be confirmed.

Lack of Accounting and Procurement departments implies lack of proper management of finances and adherence to laws.

6. Lack of Finance Policy

The statement of financial position reflects receivables from exchange transactions balance of Kshs.11,705,538 which comprises of student debtors as disclosed in Note 15 to the financial statements. However, financial management policy was not provided for audit.

In the circumstances, the College may incur losses due to uncollected fees.

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 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.

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

Auditor-General's Responsibilities for the Audit

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

International Standards 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 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

26 May, 2025

Manyatta 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

	Notes	2023-2024	2022-2023
		Shs	Shs
Revenue from non-exchange transactions			
Transfer from the national governments grants/gift in kind	6	3,330,500	2,844,000
Total Revenue from non-exchange transactions		3,330,500	2,844,000
Revenue from exchange transactions			
Rendering of services- Fees from students	7	20,478,647	10,338,010
Revenue from exchange transactions		20,478,647	10,338,010
Total revenue		23,809,147	13,182,010
Expenses			
Use of goods and services	8	6,873,975	4,821,631
Employee costs	9	2,697,700	1,984,801
Board of governors allowances	10	359,894	482,139
Depreciation and amortization expense	11	1,403,633	1,251,544
Repairs and maintenance	12	45,472	155,627
Contracted services	13	505,598	-
Total expenses		11,886,272	8,695,742
Net Surplus for the period		11,922,875	4,486,268

(The notes set out on pages 6 to 39 form an integral part of the Annual Financial Statements).

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

.....  

Chairperson of Board **Principal** **Accounts Officer**

Date **Date** *17/5/2025* **Date** *17/5/2025*

Manyatta 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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	14A	682,899	373,059
Receivables from exchange transactions	15	11,705,538	6,217,880
Inventories	18	47,500	-
Total Current Assets		12,435,937	6,590,939
Non-current assets			
Property, plant and equipment	15	61,757,802	63,586,967
Total Non-current Assets		61,757,802	63,586,967
Total assets		74,193,739	70,177,906
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	234,578	0
Total Current Liabilities		234,578	0
Total liabilities			
Capital and Reserves			
Accumulated surplus		17,955,673	6,032,798
capital fund		56,003,488	64,145,108
Total Capital and Reserves		73,959,161	70,177,906
Total Liabilities and Capital & Reserves		74,193,739	70,177,906

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

..... 

Chairperson of Board **Principal** **Accounts Officer**

Date **Date** *17/6/2025* **Date** *17/6/2025*

16. Statement of Changes in Net Asset for the Year Ended 30 June 2024

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/	Total
				Development Grants/Fund	
At June 30, 2022	=	=	1,546,530	64,145,108	65,691,638
Revaluation gain	-	-	-	-	0
Fair value adjustment on quoted investments	-	-	-	-	0
Total comprehensive income	-	-	4,486,268	-	4,486,268
Capital/Development grants received during the year	-	-	-	-	-
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	0
At June 30, 2023	-	-	6,032,798	64,145,108	70,177,906
Revaluation gain	-	-	-	-8,141,620	-8,141,620
Fair value adjustment on quoted investments	-	-	-	-	0
Total comprehensive income	-	-	11,922,875	-	11,922,875
Capital/Development grants received during the year	-	-	-	-	0
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	-	-	0
At 30th June 2024			17,955,673	56,003,488	73,959,161

Manyatta 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

	Note	2023-2024	2022-2023
		Shs	Shs
Cashflow from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	3,330,500	2,844,000
Rendering of services	19	8,538,531	4,073,321
Total Receipts		11,869,031	6,917,321
Payments			
Use of goods and services	8	6,873,975	4,821,631
Employees cost	9	2,697,700	1,984,801
Board of governors allowances	10	359,894	482,139
Repair maintenances and development	12	45,472	155,627
Contracted services	13	505,598	-
Total Payments		10,482,639	7,444,198
Net cash flow from operating activities		1,386,392	-526,877
cash flow from investing activities			
Purchase of property, plant, equipment and intangible assets		1,076,552	-
Proceeds from sale of property, plant and equipment			
Net cash flows used in investing activities		-1,076,552	0
Cash flows from financing activities			
Proceeds From Borrowing			
Repayment Of Borrowings			
Net cash flows used in financing activities			
Net increase/(decrease) in cash and cash equivalents		309,840	-526,877
Cash and cash equivalents at beginning of the year		373,059	899,936
Cash and cash equivalents end of the period		682,899	373,059

Manyatta 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

	Original annual Budget	Adjustments	Final Annual Budget	Actual Cumulative to date	Performance difference	Utilization Difference
	a	b	c=a+b	d		e=d/c %
Revenue	Kshs	Kshs	Kshs	Kshs		Kshs
Transfers from other Govt entities Govt grants	2,000,000		2,000,000	3,330,500	-1,330,500	167
Rendering of services- Fees from students	37,357,161	0	37,357,161	20,478,647	16,878,514	55
Total income	39,357,161	0	39,357,161	23,809,147	15,548,014	60
Expenses						
Compensation of employees	6,548,840	0	6,548,840	2,697,700	3,851,140	41
Use of Goods and services	21,422,751	0	21,422,751	6,873,975	14,548,776	32
Remuneration of directors	1,552,000	0	1,552,000	359,894	1,192,106	23
RMI	10,361,000	0	10,361,000	45,472	10,315,528	0
Contracted services	0	0	0	505,598	-505,598	100
Total expenditure	39,884,591	0	39,884,591	10,482,639	29,401,952	26
Surplus for the period	-527,430	0	-527,430	13,326,508		34

Notes

1. Transfers from other Govt the variance was due to increased enrolments hence increased capitation
2. Rendering of services- Fees from students variance was due to large outstanding debtors hence less income
3. Compensation of employees variance was due to large students debtors hence less cash for expenditure
4. Use of Goods and services variance was due to large students debtors hence less cash for expenditure
5. Remuneration of directors variance was due to large students debtors hence less cash for expenditure
6. RMI variance was due to large students debtors hence less cash for expenditure

Manyatta Technical and Vocational College
Annual Report and Financial Statements for the year ended 30th June 2024

19. Notes to the Financial Statements

1. General Information

Manyatta Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2013. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is to provide competence through technology

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 actuarial determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the 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 5 of this financial statement

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Manyatta Technical and Vocational College. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the 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.

Standard	Effective date and impact:
IPSAS 43: Leases	<p>Applicable 1st January 2025</p> <p>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 the College.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>The IPSAS 43 will improve the reporting of the financial statement in the subsequent years.</p>

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<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p>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. The IPSAS 44 will improve the reporting for the non-current assets that will not be operational/operations discontinued in the subsequent years starting in the 2024- 2025 financial year.</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p>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. The IPSAS 45 standard has no impact to Manyatta Technical and Vocational College since all the non-current assets are already recognised as assets.</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: <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. The standard also introduces a public sector specific measurement bases called the current operational value. The IPSAS 46 standard has no impact to Manyatta Technical and Vocational College as the fees charged is regulated by the government.</p>
<p>IPSAS 47: Revenue</p>	<p>Applicable 1st January 2026 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 College shall apply to report useful information to users of financial</p>

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	statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. The IPSAS 47 will improve the reporting of the financial statement in the subsequent years.
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> 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. The IPSAS 48 standard has no impact as the Manyatta Technical and Vocational College does not transfer expenses to other entities.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> 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. The IPSAS 49 will improve the reporting of the financial statement in the subsequent years.

iii. Early adoption of standards

The College did not early adopt any new or amended standards in year 2023- 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 College 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 has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The College 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 College.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on 28th June 2023. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The College's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section 1 of these financial statements.

c) Taxes

Current income tax

The College is exempt from paying taxes as per 1st schedule of the income tax Act.

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

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.

f) Research and development costs

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

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

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

g) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one College and a financial liability or equity instrument of another College. At initial recognition, the College measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The College classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the College's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held

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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 cash flows 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 the College has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The College assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The College recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 30 (i).

Financial liabilities

Classification

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

h) Inventories

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

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

- a) Raw materials: purchase cost using the weighted average cost method.
- b) 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 College.

i) Provisions

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

Contingent liabilities

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

Contingent assets

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

j) Social Benefits

Social benefits are cash transfers provided to

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

k) Nature and purpose of reserves

The College does not maintain reserves in terms of specific requirements.

l) Changes in accounting policies and estimates

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

m) Borrowing costs

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

n) Related parties

The College regards a related party as a person or a College with the ability to exert control individually or jointly, or to exercise significant influence over the College, or vice versa.

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Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

o) Service concession arrangements

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

p) 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.

q) Comparative figures

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

r) 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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The College based its

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assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the College. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is provided below.

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

- a. Bad Debts are written off after a period of 10 years as set out in credit and debt management policy currently since the College started to be audited by the Auditor General in the FY 2018-2019 no debts are above 10 years thus no provision for bad debts.

Bad debts are provided at the following rates

S no	Age Of Debtors	Rate
1	o 241 -360 days	5
2	o Up to 1 year	20
3	o Up to 2 years	50
4	o Up to 3 years	75
5	o Up to 4 years	100

- b. Obsolete stocks are disposed in conformity with Public Procurement and Asset Disposal Act of and an asset disposal committee considers the prevailing market prices.

Depreciation

Depreciation is charged on a reducing balance basis over the estimated useful lives of the assets.

The annual rates of depreciation used shall be as

No	Classification of asset	Rate
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i.	Building	2 %
ii.	Plant, Machinery and equipment	12.5%
iii.	Office Equipment and computer accessories	12.5%
iv.	Computer equipment	30%
v.	Motor vehicles- Buses & others	25%
vi.	Furniture and fittings	12.5%
vii.	Library books	20%
viii.	Intangible assets	30%

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

	Period ended 30th june 2024	Comparative Period
Description	Shs	Shs
Unconditional grants		Shs
Capitation	1,830,500	844,000
Recurrent grants	1,500,000	2,000,000
Scholarship	1,048,148	-
Total	3,330,500	2,844,000
Conditional grants		
Transfer from CDF	0	0
Total government grants and subsidies	3,330,500	2,844,000

6(b) Transfers from other Government entities (Categorized) MoE

Name of the entity sending grants	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative Period
	KShs	KShs	KShs	KShs	KShs
state departments of technical training	3,330,500	-	-	3,330,500	2,844,000
National governments developments fund	-	-	-	-	-
Total	3,330,500	0	0	3,330,500	2,844,000

7. Rendering of Services

	Period ended 30th june 2024	Comparative Period

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Description	Shs	Shs
Tuition	6,048,000	3,213,000
PE	3,398,400	1,805,400
EWS	936,000	497,250
RMI	921,600	489,600
ACT	1,258,560	668,610
DEV	2,592,000	1,377,000
LTT	1,094,400	581,400
Exam	3,365,687	1,246,750
Caution	144,000	76,500
Student ID	144,000	76,500
ADM	144,000	76,500
KUCCPS	432,000	229,500
Total revenue from rendering of services	20,478,647	10,338,010

These are income from students' invoices

8. Use of Goods and Services

DESCRIPTION	Period ended 30th June 2024	Comparative Period
	Shs	Shs
NITA Exam fee	80,000	180,000
KNEC Exam fee	385,900	445,000
Exam materials	449,437	58,000
KNEC Exam fee	901,007	
Electricity	291,331	162,482
Water	114,765	67,586
Insurance	68,202	8,140
Capacity Building (CBET)	24,800	144,000
Training Materials	18,910	788,506
Training Equipment	59,725	162,696
Fees Refund	20,500	3,000
Trainees welfare (speaker)	3,000	8,000
Sanitation	45,472	20,880
Kitchen		120,520
PSC Trainer Recruitment		193,652
Student ID		22,800
Marketing		31,200
NCA Certification hosting	369,000	
Airtime	202,500	136,600
Newspaper	31,340	
TVET Fair	299,830	
Kitchen	169,027	
PSC Trainer Recruitment	461,600	
LT & T	410,300	200,000
Student ID	21,600	

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Jitume	125,000	
Marketing	72,580	
Internet	119,900	
TVET fees & Accreditation of new courses	91,000	
Tuition materials	315,006	
Games and sports	181,900	522,550
CDACC Centre Assessment fee	10,000	
Principal's car operating costs	259,680	
Katti Subscription	110,000	100,000
KATTI Seminars & Workshops	572,968	341,000
Bank charges	31,295	
Administration costs		35,840
Postal rental		8,285
Plumbing wall		22,800
Official journeys		140,000
Bank charges	31,295	12,200
Stationeries	236,805	103,942
Purchase of computer and computer services	288,300	265,552
purchase of furniture		320,000
security		196,400
Total	6,873,975	4,821,631

9. Employee Costs

	Period ended 30th june 2024	Comparative Period
DESCRIPTION	Shs	Shs
National social security fund	230,000	
National insurance fund	92,000	16,200
HELB Deductions	120,000	
Salaries and Wages	2,255,700	1,968,601
Total	2,697,700	1,984,801

10. Board Expenses

Description	Period ended 31st June 2023	Comparative Period
	Shs	Shs
Board of governors allowances	359,894	482,139
Total remuneration of directors	359,894	482,139

11. Depreciation and Amortization expense

Description	Period ended 30th june 2024	Comparative Period
	Shs	Shs
Property, plant and equipment	1,403,633	1,251,544
Total depreciation and amortization	1,403,633	1,251,544

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12. Repairs and Maintenance

Description	Period ended 30th june 2024	Comparative Period
	Shs	Shs
Repairs maintenance and improvements	45,472	155,627
TOTAL	45,472	155,627

13. Contracted Services

Description	Period ended 30th June 2024	Comparative Period
	Shs	Shs
Security services	505,598	0
Total contracted services	505,598	0

14. Cash and Cash Equivalents

Description	Period ended 30th June 2024	Audited prior year
	Shs	Shs
Equity bank	682,899	373,059
Cash at hand	0	
Total cash and cash equivalents	682,899	373,059

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

Description		Period ended 30th June 2024	Audited prior year
Financial institution		Kshs	Kshs
a) Current account	Account number		
Equity Bank	0190280820929	682,899	373,059
Sub- total		682,899	373,059
B) Others(specify)			
cash in hand		0	0
Sub- total		0	
Grand total		682,899	373,059

15. Receivables from Exchange transactions

Description	Period ended 30th june 2024	Comparative Period
	Shs	Shs
Student debtors	11,705,538	6,217,880
Total receivables	11,705,538	6,217,880

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15 b) aging analysis of Receivables from Exchange transactions

	2023-2024	2023-2024	2022-2023	2022-2023
Description	Kshs	% of the total	Kshs	% of the total
Less than 1 year	11,705,538	100%	2,000,000	32%
Between 1- 2 years		%	4,217,880	67.8%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	11,705,538	%	6,217,880	%

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16. Property, Plant and Equipment

	Land	Buildings	Computers/Computer Accessories	furniture and fittings	motor vehicel	Total
		2.5%	30%	12.5%	15%	
Cost	-	-	-	-	-	-
At 30th June 2022	20,000,000	45,000,000	265,552	811,000	80,000	66,156,552
Additions	-		-		-	0
Cost/capitalized	-	-	-	-	-	0
Disposals	-	-	-	-	-	0
Transfers/adjustments	-	-	-	-	-	0
At 30th June 2023	20,000,000	45,000,000	265,552	811,000	80,000	66,156,552
Additions				3,000		3,000
Cost/capitalized						0
Disposals						0
Transfers/adjustments						0
At 30th June 2024	20,000,000	45,000,000	265,552	814,000	80,000	66,159,552
Depreciation and Impairment						0
At 30th June 2022		1,125,000	79,666	101,375	12,000	1,318,041
Depreciation		1,096,875	55,766	88,703	10,200	1,251,544
Disposals	-	-	-	-	-	0
Impairment	-	-	-	-	-	0
Transfers/adjustments	-	-	-	-	-	0
At 30th June 2023		2,221,875	135,432	190,078	22,200	2,569,585
Depreciation		1,069,453	39,036	77,990	8,670	1,195,150
Disposals						0
Impairment						0
Transfers/adjustments						0
At 30th june , 2024		3,291,328	174,468	268,068	30,870	3,764,734
Net book values						0
At 30th June 2024	20,000,000	41,708,672	91,084	545,932	49,130	62,394,818
At 30th June 2023	20,000,000	42,778,125	130,120	620,922	57,800	63,586,967

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were re-valued by Milestone Land Access Limited professional valuers on September 2021. These amounts were adopted in the financial statements on 21st September 2021.

(b) Property, Plant and Equipment at Cost

freehold land, buildings and other assets were stated on the historical cost basis

17. Trade and Other Payables

	Period ended 30th June 2024	Comparative Period
Description	Shs	Shs
Fees paid in advance	234,578	0
Total trade and other payables	234,578	0

18. Inventories

Description	KShs	KShs
	Period ended 30th June 2024	Comparative Period
Inventory	47,500	-
Total	47,500	-

19 Reconciliation of the amount in the statement of financial statement and statement of cash flow

Description	2024	2023- 2023
	KShs	KShs
Rendering of services in the statement of financial performance		
	20,478,647	10,338,010
(less) 2023- 2024 fees debtors	11,705,538	5,516,379
2022- 2023 prepaid fees	234,578	
Rendering of services in the cash flow statement	8,538,531	4,821,631

19. Financial Risk Management

The College's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The College'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

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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.

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

(i) Credit risk

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

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

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Receivables from exchange transactions	6,217,880	6,217,880	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	373,059	373,059	0	0
Total	11,065,726	6,590,939	0	0
At 30 June 2024				
Receivables from exchange transactions	10,382,827	10,382,827	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	682,899	682,899	0	0
Total	11,065,726	11,065,726	0	0

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

The College has significant concentration of credit risk on amounts due from 3 months

The Board members sets the College's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

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

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College manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Fees paid in advance	0	0	0	0
Trade Payables	0	0	0	0
Refundable deposits from customers	0	0	0	0
Total	0	0	0	0
At 30 June 2024				
Fees paid in advance	234,578	0	0	234,578
Trade Payables	0	0	0	0
Refundable deposits from customers	0	0	0	0
Total	234,578	0	0	234,578

(iii) Market risk

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

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

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

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

iv) Capital Risk Management

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

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Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	17,955,673	990,664
Capital Reserve	54,680,776	67,054,278
Total Funds	72636449.5	68,044,942
Total Borrowings	0	0
Less: Cash and Bank Balances	682,899	899,936
Net Debt/(Excess Cash and Cash Equivalents)	0	0
Gearing	0.94%	1.32%

20. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Local Community
- vi) Support Staff
- vii) Trainees

The were no transactions and balances with related parties

Description	2023-2024	2022-2023
	Kshs	Kshs
a) Purchases from related parties		
Purchases of electricity from KPLC	246,632	200,000
Purchase of water from govt service providers	98,690	56,000
Rent expenses paid to govt agencies		
Training and conference fees paid to govt. agencies		
Total	345,322	256,000
b) Grants /Transfers from the Government		
Grants from National Govt	3,330,500	2,844,000
Total	3,330,500	2,844,000

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21. Events After The Reporting Period

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

22. Ultimate And Holding College

The College is a TVET College under the Ministry of Education. Its ultimate parent is the Government of Kenya.

23. Currency

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

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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)
Basis for Qualified Opinion				
1.				
Key Audit Matters				
1				
Basis for Conclusion				
1				
Conclusion				
1				

Name: Mr. David Njagi Nthuci
Accounting Officer
Chief Principal / Secretary Board of Governors
Date: 17/5/2025

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**Appendix II: Projects Implemented by
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Projects

Projects implemented by the College Funded by development partners.

Note: Within the year, the College didn't receive development fund from the government and 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						
2						

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

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Appendix III- Inter-College Confirmation Letter

MANYATTA TECHNICAL AND VOCATIONAL COLLEGE



P. O. Box 2824 - 60100 Embu Tel: 0740572437

Email: manyattatvc@gmail.com

Website: www.manyattatvc.ac.ke

Location: Along Embu - Meru Highway, 1km from Kivwe



The Ministry of Education wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Manyatta Technical and Vocational College as at 30th June 2024							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2024				Amount Received by Manyatta Technical and Vocational College (Kshs) as at 30 th June 2024 (E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
DTE/CAP 9/36(38)	9/10/2023	8,274,000	0	0	8,274,000	8,274,000	0
DTE/CAP/9/39(17)	18/01/2024	8,004,000	0	0	8,004,000	8,004,000	0
DTE/CAP 9/40(17)	6/02/2024	9,148,000	0	0	9,148,000	9,148,000	0
BATCH 5262/63	22/02/2024	21,876,738			21,876,738	21,876,738	
BATCH 5277	12/03/2024	1,921,605			1,921,605	1,921,605	
MOE/DTE8/65(49)	17/07/2023		4,000,000		4,000,000	4,000,000	
Total		<u>49,224,343</u>	<u>4,000,000</u>	<u>0</u>	<u>53,224,343</u>	<u>53,224,343</u>	

I confirm that the amounts shown above are correct as of the date indicated.
Head of Accountants department of beneficiary College:

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Name Sign Date

Appendix IV: Reporting of Climate Relevant Expenditures

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

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Appendix V: Reporting on Disaster Management Expenditure

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