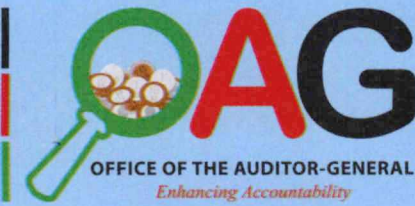


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REPORT

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OF

THE AUDITOR-GENERAL

ON

**MUSAKASA TECHNICAL TRAINING
INSTITUTE**

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



MUSAKASA TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025

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

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1. Acronyms and Definition of Key Terms

A: Acronyms

BOM	Board of Management
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
VTC	Vocational Training College
CPA	Certified Public Accountant
TVET	Technical and Vocational Educational Training
KRA	Kenya Revenue Authority
NSSF	National Social Security Fund
NHIF	National Hospital Insurance Fund
PAYE	Pay As You Earn
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
IGA	Income Generating Activities

B: Definition of Key Terms

Comparative Year: Means the prior period.

Course: Means the programme of instruction comprising a range of syllabus content areas for trainees to acquire knowledge, work attitudes, skills and competences for employment in formal or informal sectors.

Musakasa Technical Training Institute

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

Financial Year: The current fiscal year running from 1st July 2024 to 31st June 2025.

Institution: Means an institution that promotes or offers technical and vocational education and training;

Programme: Means a sequential grouping of courses which forms a considerable part, or all, of the requirements for an academic credential or an occupational objective.

TVET Institution: Means a Technical and Vocational Education and training institution;

2. Key Musakasa T.T.I Information and Management

(a) Background information

Musakasa Technical Training Institute is located in Bumula Sub- County of Bungoma County at Musakasa Market along Netima Napara Road. Musakasa Technical Training Institute was started in 2014 by the Musakasa Religious Community as Rural Education Programme catering for basic craft courses for the local youths. The first batch of 22 Trainees was enrolled in Fashion and Design and Garment Making Technology at Artisan Level. The Institute offers Diploma, Certificate and Artisan in the following academic Departments: Mechanical Engineering, ICT, Building and Construction, Civil Engineering, Electrical and Electronic Engineering, Mechatronics, Quality Survey, Agriculture, Business Studies and Institutional Management. Currently the Institute has an overall population of 2,581 Trainees. The Institute has 78 Staff: 31 PSC Trainers, 22 BOG Trainers, 25 Non-Teaching Staff and 3 Attachés as at 30th. June 2025.

(b) Principal Activities

The principal activity of Musakasa Technical Training Institute is to provide training to artisans, craftswomen and men, technicians, technologists, businesswomen and men at artisan, craft and Diploma certificate levels.

The mandate of Musakasa TTI is as under;

- Implement the prescribed curriculum for technical training at artisan, technician and technologist level
- Promote, coordinate and popularize research at the institute
- Spearhead the application of research results in technological programmes at the institute
- Monitor and evaluate technical education programmes at the institute
- Promote standards and quality assurance at the ministry
- Implement the MOE policy on TVET

Vision, Mission and Motto

Vision

To be a Leading institution in the provision technical and vocational training

Mission

To provide quality technical and vocational training in in collaboration with stakeholders to produce highly skilled and innovative Human Resource

Motto

Training to Serve

Core Values

The Board Governors, the management and other stakeholders embrace the following core values which represent the fundamental beliefs that influence the way the Institute relates and deals with its customers and clients:

- **Excellence** – The Institute shall ensure equality teaching, research and provision of excellence in teaching, research and provision of service to public.
 - **Equity** – The institute shall ensure fair treatment of staff, students and all other stakeholders without bias.
 - **Integrity** – The Institute staff shall have common decorum reflected in their personal appearances, interactions and conducts.
 - **Team work** – The Institute is committed to team work environment where every person is a valued member treated with respect, encouraged to contribute and recognized and rewarded for his or her own efforts.
- Innovation** – The Institute shall provide opportunities for the creation of new ideas and products for teaching, learning and well-being of the society

(c) Key Management

Musakasa Technical Training Institute’s day-to-day management is under the following key organs:

- The Board of Management
- The Principal
- The Administration

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Mr. Moses Kiiza Sakwa
2.	Deputy Principal Administration	Mr. Clinton Ouma
3.	Deputy Principal Academic	Ms. Robina Iuvindi
4.	Registrar	Ms. Mercy Walukhuchi
5.	Dean of students	Mr. Protus Marum bu
6.	Head of Finance	CPA Christine Wamboka
7.	Head of Procurement	Mr. Benjamin Makokha
8.	Human Resource Officer	CHRP Joseck Wafula

(e) Fiduciary Oversight Arrangements

The Institute Board of Governors has established a committee of the Board which provides oversight on the institute financial and other management matters. The Institute is also planning to establish an internal audit department that shall report to the Board Committee.

Parliamentary Committee Activities

The Principal of Musakasa Technical Training Institute is accountable to the National Assembly for the Institutes financial management. The Constitution of Kenya, 2010; 135(3) subject to clause 4, requires that the accounts of all governments and State Organs be audited by the Auditor General. Upon audit, the Annual Reports and Financial Statements are usually submitted to the National Assembly to ascertain whether the finances of the Institute were prudently managed.

The fiduciary oversight arrangements include:

- Audit and risk committee activities.
- Finance and operations committee activities.
- Academic committee activities
- Development partner oversight activities
- Other oversight activities

(f) Musakasa T.T.I Headquarters

Musakasa Technical Training Institute
Located Along Netima Napara Road
Off. Kimwanga Mayanja
Along Kanduyi Malaba Highway

(g) Musakasa T.T.I Contacts

Musakasa Technical Training Institute
Po Box 1249-50200
Bungoma
Telephone: (254)717624837
E-Mail: Enquiries@Musakasa.Inst.@Gmail.Com

(h) Musakasa T.T.I Bankers

Kenya Commercial Bank
Bungoma Branch
P.O. Box 380-50200
Bungoma, Kenya

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Co-operative Bank of Kenya
Bungoma Branch
P.O Box 1964-5020
Bungoma



(i) Independent Auditors

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

(j) Principal Legal Adviser



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

3. The Board of Governors

	<p>Name:Dr.Brian Singoro</p> <p>D.O.B: 1964</p> <p>Key Qualifications: PhD (DMHA), MA (Econs), Bed (Arts),KACE</p> <p>Work Experience: Senior Lecturer of Economics, Kibabii University Senior Trainer and Presiding officer with IEBC Kabuchai Constituency Bungoma County, Senior head of Department Bukembe High School, Senior Lecturer Department of Geography Kibabii Diploma Teachers Training College, Part-time lecturer in physical environment Bachelor of technology in building and construction, Senior HOD Bungoma Baptist Girls , Senior supervisor,2009 Kenya Population and housing census, Senior HOD Wamalwa Kijana High School, Principal St. Teresa’s high school, Presiding officer General Elections ,Founder Principal, St. Christopher’s Mabanga Girls.</p> <p>Dr.BrianSingoro is the Executive Board Member and the Chairperson of Board of Govenors of Musakasa TTI.</p>
	<p>Name: Dickson Ouma Opiyo</p> <p>D.O.B: 31/03/1968</p> <p>Key Qualifications: Bachelor of Technology in Civil Engineering (Egerton University) Higher Diploma in Construction (Structures Option) Diploma in Water Engineering</p> <p>Work Experience: Registered Professional Engineering technologist Board of Kenya (KETRB) Member of Institute of Engineering Technologist (MIEK) Graduate Engineer with Engineer Registration Board (EAB)</p> <p>Dickson Ouma Opiyo is the Executive Board Member of Musakasa TTI. and a member of Human Resource Training Research and Innovation Committee.</p>

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	<p>Name: Hilda Joyce Omwoyo</p> <p>D.O.B: 15/11/1960</p> <p>Key qualifications: MA Ed; B Ed.</p> <p>Work Experience: Vast experience in teaching at secondary school level; training Arts, Science and technical trainees.at college level; and being an administrator as indicated below: Kinyanjui Technical Training Institute-Chief Principal (September-December 2020) Kenya Technical Trainers College (Now Kenya School of TVET 1996-2020) Chief Principal; Deputy Principal Academic Affairs; Head of English Department, Teaching Practice Coordinator, Deputy Head of the English Department; Lecturer Communication Skills Kenya Science Teachers College (1991-1995) Head of English Department; Lecturer Communication Skills in English Kagumo Teachers College (1985-1991) Deputy Head of English Department; Assistant Dean of Students; Lecturer English Language, Literature and Communication Skills in English Eregi Girls Secondary School (1984-1985) Graduate Teacher In addition, author of English Course Books</p> <p>Mrs. Hilda Omwoyo is an executive member of the Musakasa Board of Governors and an independent member.</p>
	<p>Name: Ms Josephine Nyatuka Maraga</p> <p>D.O.B: 26/04/1983</p> <p>Key Qualifications: Master Law Degree from University of Nairobi</p> <p>Work experience: Over 13 years of experience working as State Council and Magistrate.</p> <p>Josephine Nyatuka Maraga is the Executive Board Member of Musakasa TTI and also serving as a Chairperson of Human Resource Training Research and Innovation Committee</p>



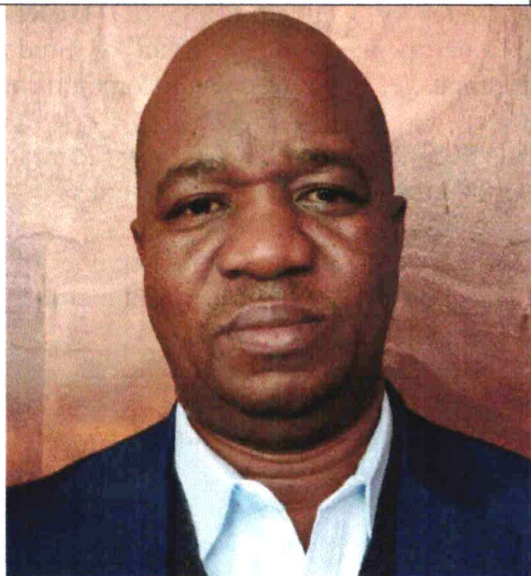
Name: Ibore Boru Ali

D.O.B: 7/12/1985

Key Qualifications:
Bachelor of Commerce Finance Option

Work experience:
16 years as a banker. 7 years working as a branch Manager and 7 years in senior Management.

Ibore Boru Ali is the Executive Board Member of Musakasa TTI and the Chairperson of Finance Planning and Development Committee



Name: Omugaka O.D. Panyako



D.O.B: 29/12/1966

Key Qualifications:
PhD Building Technology

Work experience:
30 years in profession
2009 to Date – Lecturer in Technical University of Kenya
2004 to 2009 -Lecturer in Kenya Polytechnic.
1993 to 2004- High school teacher.

Mr. Omugaka Daniel is the Executive Board Member of Musakasa TTI. and a member of Human Resource Training Research and Innovation Committee.

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	<p>Name: Esther Njeri Kiaritha</p> <p>D.O.B: 1977</p> <p>Key Qualifications: PhD in Education Psychology – Moi University Masters Degree in Education Psychology – Moi University Higher Diploma in Human Resource Management</p> <p>Work experience: 2004 to Date Lecturer at Moi University.</p> <p>Mrs. Esther Njeri Kiaritha is the Executive Board Member of Musakasa TTI. and the Chairperson of Risk and Audit Committee</p>
	<p>Name : Martha Wekesa</p> <p>D.O.B :1966</p> <p>Qualification: MSC Food Science & Technology, PGDE, SLDP, MSC</p> <p>Work Experience: 25 years</p> <p>Martha Wekesa is the CDTVET</p>

4. Key Management Team



NAME: Moses Kiiza Sakwa

D.O.B: 25/05/1969

Key Qualification:

BSC. Agricultural Education and Extension

Work experience:

Over 30 years in TVET Training.

Mr. Moses Kiiza is the Principal Musakasa Technical Training Institute



Name: Clinton Ouma

D.O.B: 1.07.1989

Key Qualifications:

B.ED.(Technology Education)

Work Experience:

Over 8 years

Mr. Clinton Ouma is the Deputy Principal Administration Musakasa Technical Training Institute

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NAME: Robina Mukaditsa Luvindi

D.O.B: 1/04/1979

Key Qualification:

Bachelor of Education (English Literature)

Work experience:

Registrar at Endebes TTI from 2017 to 2020

Ag. D/Principal Academics from 2020 to 2023 August

Madam Robina is currently the Deputy Principal Academics at Musakasa Technical Training Institute



Name: Mercy Maua Walukhuchi

D.O.B: 21/09/1995

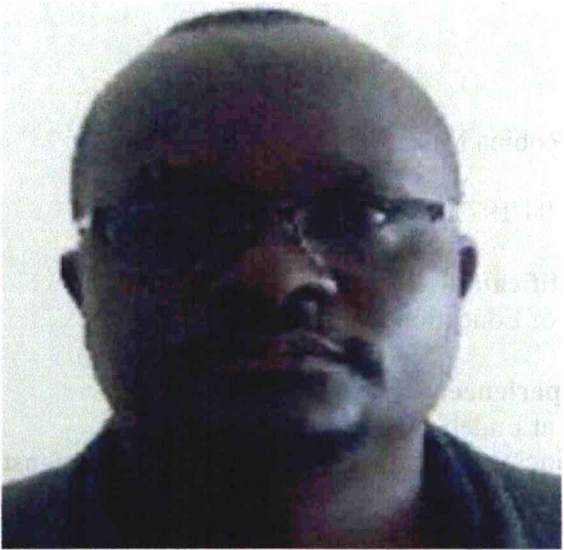

Key Qualifications:

B.E.D (Technology Education and Computing, Building and Civil Engineering)

Work experience :8 years

MS. Mercy Maua Walukhuchi is the Registrar Musakasa Technical Training Institute

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	<p>Name: Protus Seng'enge Marumbu</p> <p>D.O.B: 1976</p> <p>Key Qualifications: Bachelor of Education (Tech. Ed. BCT)</p> <p>Work Experience: 12 years in Education</p> <p>Mr.Protus Seng'enge Marumbu is the Dean of Students Musakasa Technical Training Institute</p>
	<p>Name: Christine Wamboka Koyabe</p> <p>D.O.B: 17/07/1977</p> <p>Key Qualification: Certified Public Accountant CPAK (ICPAK Member) Bachelor of Commerce Accounting Option in Kibabii University Diploma in Accountancy (KNEC) in Western College of Arts and Applied Sciences (WECO) Currently pursuing a Master's Degree in Business Administration in Kibabii University</p> <p>Work Experience: 22 years in Accounting Profession: 2008 to 2020 - Senior Accountant KNUT Bungoma South Branch and KNUT Bungoma County 2003 to 2008 -Bursar Napara Girls High School (Centre of Excellence)</p> <p>Christine Wamboka is currently the Finance Officer- Musakasa Technical Training Institute</p>

Musakasa Technical Training Institute

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Name: Benjamin Makokha

D.O.B :31/07/1995

Key Qualification:

Bachelor's Degree in Supply Chain Management
Kibabii University

Diploma Supply chain at Sang'alo Institute of Science
and Technology

Work Experience:6 years

Benjamin Makokha is the Procurement Officer
Musakasa Technical Training Institute



NAME: ChRP. Joseck Wafula Maombo

D.O.B :22/10/1983

Key Qualifications:

Certified Human Resource Professional Kenya

Certified HR Auditor

Higher National Diploma

HRM, DIP. TEC. Education,

KATC Final

Work Experience:

10 years in profession

Sigalagala National Polytechnic as a Trainer, Friends
Secondary School Kuywa as a Teacher (DOS), Kisiwa
TTI as Deputy HOD Business Department

Mr. Joseck Wafula is the HRO Musakasa Technical
Training Institute

5. Chairman's Statement

On behalf of the Musakasa Technical Training Institute Board, I am pleased to present the Annual Report for the 2024/2025 financial year. This past year has been one of meaningful progress, resilience, and transformation. It has been a privilege to serve alongside a dedicated and visionary team committed to advancing technical education and empowering our youth.

The education sector in Kenya continues to undergo significant reforms, with a renewed emphasis on **quality over quantity** as the strategic compass guiding the Ministry of Education. At Musakasa, we have embraced this paradigm shift wholeheartedly. Our focus has been on enhancing the relevance, rigor, and responsiveness of our training programs to meet the evolving demands of industry and society.

Key Highlights of the Year:

Curriculum Enhancement: We aligned our programs with competency-based education models to ensure our graduates are not only knowledgeable but also practically skilled.

Infrastructure Development: Strategic investments were made in the Tuition Block Phase IIA/ ICT lab for learning spaces to support hands-on training and innovation.

Industry Partnerships: We strengthened collaborations with local and international stakeholders to provide internship opportunities, mentorship, and job placements for our students.

Staff Development: Continuous professional development for our trainers remained a priority, ensuring they are equipped to deliver high-quality instruction.

Financial Performance

Key Financial Challenges

Delayed Disbursement of Funds: Late release of government capitation and development funds disrupted project timelines and service delivery.

Inadequate Infrastructure Funding: The KES 33 million approved budget for the financial year 2025/2026 of planned infrastructure projects has not been funded leaving critical gap in classroom and workshop space for our learners.

Limited Revenue Diversification: Heavy reliance on government funding and student fees poses sustainability risks. Income-Generating Activities remain underdeveloped.

Recommendations

Strengthen Financial Planning: Implement multi-year budgeting and cash flow forecasting to anticipate funding gaps.

Enhance Revenue Streams: Expand short Courses, Consultancy services on Entrepreneurial Skills, and Partnerships with Industry to boost IGA.

Advocate for Timely Disbursements: Engage with relevant Government Departments to ensure prompt release of funds.

Monitor Project Implementation: Establish a BOG-led oversight committee to track Development Projects and ensure accountability.

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Despite notable progress in infrastructure and training delivery, Musakasa TTI faces persistent financial challenges that require strategic interventions. The Board of Governors remains committed to supporting the institute's mission and ensuring financial sustainability.

Looking Ahead

As we move into the next financial year, our commitment remains steadfast: to nurture a technically proficient, ethically grounded, and future-ready workforce. We will continue to champion excellence, inclusivity, and innovation in all our endeavors.

I extend my sincere gratitude to the Board members, management, faculty, students, and our partners for their unwavering support and dedication. Together, we are shaping a brighter future for Musakasa and for Kenya.

Thank you.



Dr. Brian Singoro
Chairman Board of Governors

6. Report of the Principal

Infrastructure Development

- **Completion of Tuition Block Phase IIA:**

This was a milestone project for the last financial year 2023/2024 supporting practical learning and research. It's serving as a sustainable hub for innovation, entrepreneurship, and academic inquiry—ultimately contributing to skill development and economic empowerment for our learners.

- **Proposal for Tuition Block Complex Phase IIB:**

In response to our rapidly growing student population of 2581 by June 30, 2025—we submitted a proposal to the government for funding of Tuition Block Phase IIB. This expansion will address the pressing need for additional tuition space and reinforce our commitment to providing world-class facilities for both trainees and staff.

These developments underscore our dedication to building the infrastructure necessary for Musakasa Technical Training Institute to remain a leading institution in technical and vocational education—locally and beyond.

Conferences and Academic Engagements

Academic workshops and conferences continue to play a pivotal role in the growth and development of our Institute. They serve as platforms for benchmarking, networking, and collaborative research.

Throughout the year, various institutions organized multiple seminars, workshops, and conferences. These events were well-attended and yielded valuable insights and lessons that will inform our academic and operational strategies moving forward.

Financial Performance and Challenges

The College faced significant financial strain during the year, primarily due to the non-disbursement of scholarship funds and HELB loans. These funding gaps had a ripple effect on our operations:

- **Student Fee Payment:** A substantial number of students were unable to meet their tuition obligations, leading to reduced revenue collection.
- **Operational Budget:** The shortfall in expected income forced the college to operate on a constrained budget, affecting procurement, staff development, and facility upgrades.
- **Staff Welfare:** While we prioritized timely salary payments, and allowances were delayed in some instances.

Despite these challenges, the management implemented cost-saving measures and pursued alternative revenue streams, on income generating activities to cushion the impact. We have remained steadfast in our mission to expand our networks and strengthen strategic alliances both regionally and globally. These partnerships are invaluable, positioning the Institute to maintain a competitive edge in the ever-evolving landscape of technical and vocational education.

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We have actively invested in opportunities that foster exposure, synergy, knowledge exchange, and professional expertise. These efforts are geared toward enriching our intellectual and human capital, which remains central to our long-term vision.

Stakeholder Engagement

We continued to engage actively with stakeholders, including parents, government agencies, and industry partners. Notable efforts included:

- Advocacy for increased funding and timely disbursement of student loans.
- Strengthening partnerships with local businesses for internship placements.
- Hosting community outreach programs to promote the college's visibility and social impact.

Our collective effort will make us and our actions will help actualize this dream of an Institute serving society and the world. I wish to convey my gratitude to all staff, both academic and administrative and the students who together, are supporting to achieve our collective dream. Together we shall deliver.

Thank you



Mr. Moses Kiiza Sakwa
Principal/ Board Secretary



7. Statement of Performance against Predetermined Objectives

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

Musakasa Technical Training Institute has 5 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024/2025. These strategic pillars/ themes/ issues are as follows:

1. Training and Development

Strategic Pillar	Objectives	Activities	Achievements	Key Performance Indicators
Training	Reviewing training programmes to align them to Big four agenda and emerging clients' needs and delivery methodologies within the institute academic policy	Conduct SWOT analysis of existing training programmes	Relevance of training programmes	Number of SWOT analysis conducted
		Set up MUSTTI academic review committee to review the institute’s academic policy	Quality relevance of CBET Programmes	Reviewed academic policy
		Carry out labor assessment	Relevance of CBET	Number of Labor Needs Assessment
			CBET Training	

- 2. Governance and Human Resource
- 3. Financial Stewardship and Sustainability
- 4. ICT Integration
- 5. Students Welfare

Musakasa Technical Training Institute

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Musakasa Technical Training Institute develops its annual work plans based on the above 5 pillars/Themes/Issues. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis.

		Fine tune Reviewed curriculum	the		Number of refined curricula
		Induct trainers CBET Curriculum	on	Quality & relevance of training	No of staff trained in CBET Programs
Initiate and implem ent CBET programs		Increase the number of CBET courses offered by departments from 0to 10		CBET programs	Lists of identified programs in user departments
		Application to TVETA for registration of training programs and accreditation		Accreditation of CBET programs by TVETA	Accreditation certificate
		Establish CBET implementation committee		Monitoring Evaluation & Reporting	CBET Committee in place
		Staff sensitization, creating awareness about CBET programmes		Quality and relevance of training	Number of Sensitization and awareness created
		Implement developed curriculum		Quality of training	Trainer attendance

Musakasa Technical Training Institute
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		Conduct internal Exam moderation	Quality of training	Proportion of exam moderated
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Musakasa Technical Training Institute achieved its performance targets set for the FY 2024/2025 period for its 5 strategic pillars, as indicated in the diagram below:

		Monitor and evaluate implementation of curriculum	Quality training	M&E Reports
		Conduct course evaluations	Improved performance	Proportion of courses evaluated
		Produce Mechatronics- related items in line with manufacturing (Big 4 Agenda)		
		Organize graduation	Trainee completion	Number of assessments and graduations organized
	Upgrade staff skills	Induct trainers on reviewed curriculum	Quality training	Number of trainers
		Recruit qualified staff	Quality service delivery	% of staff trained
		Skills training for trainers	Quality service delivery	Number of trainers/ trainings conducted

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		Attachment of trainers to industry	Quality training	No of staff attached
	Acquiring and equipping	Acquire more learning books annually	Quality training	
	the institute with adequate and modern training facilities	Acquire more computers, projectors and smart boards for training in every department	Quality training	Number of books acquired

		Expand and Equip workshops with relevant equipment and materials	Quality training	Number of equipment and materials acquired
		Enhance installation of CCTV Cameras for security purposes	Safety and security	More CCTV Cameras installed

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		Provide reliable unlimited high-speed internet access	Full time internet access	Internet service contract
		Acquire a motorcycle, car and truck for a driving school	Establish into driving school	Operational driving school
		Establish credible marketing strategies to boost student enrolment	Improved student enrollment	No of marketing strategies used
		Establish students' online reporting portal	Improved customer service	online reporting portal in place
		Improve efficiency in customer service in the institute	Customer satisfaction & marketing	Customer feedback
		Promoting female students in SET Programmes	Improved student enrollment	No of female students in SET Programmes

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Induct new board Quality Number of member's service Board members

Governance and Human Resource	Continuous capacity building of the institute management, BOG and students' council	Train new Board members on corporate governance	Good corporate governance	Number of management staff trained
		Train management on strategic leadership	Good corporate governance	Tender documents, signed contracts, minutes of tender committee
		Induct new students' council members	Good leadership	Number of student council inducted
		Train students' council on leadership skills	Charismatic leadership	Number of meetings held with students
		Hold regular meetings between students and management	Good Service	Number of meetings held
		Hold regular Staff meetings	Performance management	Number of meetings held
		Conduct regular team building activities	Improve service delivery	Number of team building activities conducted
		Competitive recruitment and promotion of staff on merit, retain	Identify and draw up indents for vacancies For filling	Competent human resource
		Advertise for Job vacancies	Competent human resource	Number of job adverts

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	and reward high quality workforce and also implement recognition and rewards scheme	Profile job applicants	Competent human resource	Status reports, minutes
		Shortlist and invite candidates for the job interviews	Competent human resource	Number of applicants invited
		Interview and hire qualified candidates for respective job, orient and train them	Competent human resource	Number of candidates hired

		Develop appropriate and competitive rewards scheme	Staff attraction	Rewards scheme in place
		Recognize and award good performance and also promotion on merit	Staff retention	Number of staff awarded/promoted
Regular review of terms and conditions of service as per the institute Human Resource Policy				
		Constitute review committee	Staff welfare	Functional committee in place
		Review terms and conditions of service	Staff welfare	New terms and conditions of service
		Reviewing the institute's organizational structure	performance management	New Institute's structure in place

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	Continuo us inves tmen ts in staff developme nt	Conduct Training Needs Analysis	Staff development	TNA Reports
		Develop and implement training plan	Staff development	Proportion of staff trained in the plan
		Develop and implemen framework for security risk assessment	Security and safety services	Security risk assessment framework
		Establish a surveillan ce system to safeguard organization's assets	Improved security	Presence of surveillan ce system in place
		Hold regular meetings between staff and management	Staff developmen t	Number of staff meetings held
		Procure, acquire and install biometric clock insystem	performanc e managemen t	Minutes of tender committee
	Enhance staff discipline as per PSC Code of Conduct	Sensitize staff on PSCCode of Conduct	Improved staff discipline	Sensitization meetings
		Improve monitoring ofstaff discipline	Improved staff discipline	Submission of relevant feedback documents
	Enhance effective MUSTTI security services	Develop and implement security policy and manual	Improved security	Security policy and manual developed
		Support the establishment of fencing of the organization estate	Improved security	Presence of perimeter wall

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		Total on Governance and Human Resource			
Financial Stewardship and Sustainability	Increasing and Strengthening Revenue Streams	Develop a strategy paper on revenue diversification	Increased revenue	Developed strategy paper	
		Formulate Income Generating policy	IGUs	Number of formulated IGUs Policy	
		Carry market survey For business proposal	Revenue increased	Number of Market survey carried out	
		Introduce new short courses such as driving	Resource mobilization	Amount of Revenue raised	
		Develop and implement a business model and business proposals	IGUs	Number of business proposal	
	Enhancing efficiency in mobilization and utilization of resources		Develop Cost reduction /saving guidelines	Financial management perspective	Guidelines in place
			Identify and implement cost saving strategies	Cost financing and resource mobilization	Number of strategies identified; amount of revenue saved
	Ensuring and strengthening internal systems				
			Strengthen internal control systems	Accountability and transparency	Number of internal control systems in place

Musakasa Technical Training Institute

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	and accountability of financial sustainability by procuring necessary resources and appropriate allocation	Effective budgeting and budgetary control by implementing the Institute's Standard Chart of Accounts	Accountabilit y and transparenc y	Institutes Standard chart of accounts implemented
		Analysis of against actual	Accountabilit y and transparenc y	ANOVA Reports
	Source for donor funding	Identify call for proposals from potential donors	Revenue generation	Number of proposal calls recorded

		Constitute a team to write proposals for funding	Revenue generation	Number of winning proposals
		Establish office of the fundraiser	Revenue generation	Functional fundraising office
To strengthen the				

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	procurement and supplies system in Accordance with Public Procurement Law	Develop and institutionalize an efficient procurement and supplies system in compliance with the relevant laws and regulations	efficient procurement and supplies system	Presence of e- procurement
		Automate supply chain management operations	efficient procurement	Automate supply chain system in place
		Develop and implement a framework for asset management	Effective asset management	Developed asset management framework
I C T Inte gra tion	To upgrade infrastructural facilities so as to correspond to the training standards	Acquire and maintain machines	Equipped ICT center	Increase in ICT equipment
		Develop and implement ICT policy and infrastructure	Improved ICT services delivery	Policy developed
	To upgrade the existing infrastructural ICT facilities so as to correspond to the training standards			
		Adopt the use of new technologies in 75% of MUSTTI operations by Capacity building of staff on ICT usage	Improvement in use of technology	use of new technologies, # of staff trained in ICT

Musakasa Technical Training Institute

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		& benchmarking with other institutions		
	To acquire and expand the ICT infrastructural facilities in all areas required	Develop and implement cohesive knowledge, information and communication technologies platform/database	Improvement in use of technology	Knowledge & information technologies platform/database, new ICT equipment
Students welfare	Reduce Drug and Substance abuse by strengthening the capacity of G&C department			
		Invite guest speakers from institutions such as NACADA	Students welfare	Number of talks held
				M&E reports
	Supporting and	Conduct capacity building for Students council	Students welfare	Empowered students council
	empowering students' governance	Establish allowances policy for Student leaders	Students welfare	Empowered students council

8. Corporate Governance Statement

Musakasa TTI is governed by the Board of Governors. The Board provides strategic direction, exercises control and remains accountable through effective leadership, enterprise, integrity and good judgment. It is diverse in its composition, independent but flexible, pragmatic, objective and focused on balanced and sustainable performance of the Institute.

Appointment of Board Members

- i. Every appointment is by name and by notice in the Kenya Gazette but ceases if the Board member:
 - a) Serves the appointing authority with a written notice of resignation; or
 - b) Is absent, without the permission of the Chairperson, from the three consecutive meetings; or
 - c) Is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding twenty thousand shillings; or
 - d) Is incapacitated by prolonged physical or mental illness from performing his duties as a member of the Council; or
 - e) Conducts himself in a manner deemed by the appointing authority to be inconsistent with membership of the Council.
- ii. Any removal of a Board member under (i) above, shall be through formal revocation.

Ethics and Conduct

The Board adheres to the Code of Conduct and Ethics for State Corporations (SCs) which focuses on ethical conduct and integrity at the workplace. It defines the Board's commitment to the highest standards of behaviour so as to contribute to the achievement of the national development goals. The Code sets out expectations for individual behaviour necessary to meet these standards and includes requirements and guidance to help carry out their roles with integrity and in compliance with the law. By exemplifying the ethical behaviours and corporate values described in the Code, the Board is expected to uphold Article 10 of the Constitution of Kenya, 2010 on National Values and Principles of Governance and Chapter 6 on Leadership and Integrity.

Conflict of Interest Policy & Disclosures

A conflict of interest may arise where a Board member or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Board member's official duties and responsibilities. Conflict may also arise where a Board member uses their office for personal gain.

Board members are required to avoid conflict of interest and deal at arm's-length in any matter that relates to the organization. However, a Board member who identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the Board. In so

reporting, the Board member is required to provide all relevant information, including information which relates to their immediate family members by blood or marriage which is related to the area of conflict. When declared, the Board member shall abstain from decisions where the conflict exists.

The Secretary keeps a record of conflicts of interest declared, for accountability purposes, and as a rule of good practice on appointment and on regular intervals or at any time when circumstances change, all members shall in good faith disclose to the Board for recording, any other business or interest likely to create a potential conflict of interest.

Board Remuneration

Board members are remunerated for their services in accordance with State Corporations Act provisions and/or guidance from the State Corporations Advisory Committee. In line with best practice, the remuneration includes Honoraria for the Chair of Board and allowances for all members on attendance of Board meetings.

Board Induction and Training

When new Board members are appointed, the Institute organizes for induction in order to familiarize themselves with their responsibilities as Members of Board, general principles of corporate governance and Council practices. The induction programme provides the Board members with an orientation of the organization, strategic plans, financial status and policies, risk management, compliance programmes and the Code of Conduct and Ethics. The current Council members were inducted in the year under review.

Board Responsibilities

The Board of Management, during the inauguration on 25th May 2023, was sensitized on their roles and responsibilities according to the TVET Act which were:

Overseeing the conduct of education and training in the Institute in accordance with the Provisions of TVET Act 2013 and any other written law.

- a) Promoting and maintaining standards, quality and relevance in education and training in the Institute in accordance with the TVET Act 2013 and any other written law.
- b) Administering and managing the property of the Institute
- c) Developing and implementing the Institute's Strategic Plan.
- d) Preparing annual estimates of revenue and expenditure for the Institute and incurring Expenditure on behalf of the Institute
- e) Receiving, on behalf of the Institute, fees, grants, subscriptions, donations, bequests or other Moneys and to make disbursement to the institution or other bodies or persons. f) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of TVET Act 2013

- g) Mobilizing resources for the Institute
- h) Developing and reviewing programmes for training and to make recommendation to TVETA
- i) Regulating the admission and exclusion of students from the Institute, subject to a qualifications framework and the provisions of TVET Act 2013
- j) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Ministry.
- k) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry
- l) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the Institute in consultation with the Authority
- m) Making regulations governing organization, conduct and discipline of the staff and students
- n) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board.
- o) Providing for the welfare of the students and staff of the Institute
- p) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Institute
- q) Discharging all other functions conferred upon it by TVET Act 2013 or any other written law

9. Management Discussion and Analysis

The Institute operational and Financial Performance.

Generally, the Institute operated at a net surplus of Kshs.101, 940,536.00 during the financial year 2024/2025. This was majorly due to increase in student population on IPSAS Accrual .

Compliance with Statutory Requirements

By the end of the year, the Musakasa had paid all its statutory requirements in terms of NSSF, NHIF, PAYE and all withholding taxes from contractors payable to KRA. The Institute has been withholding taxes on all payment made to contractors and remitting them to KRA. The Institute is operating under legal frame works necessary under public sector requirement such as;

- The Constitution of Kenya, 2010
- TVET Act, 2013
- PFM Act, 2012
- Procurement and Assets Disposal act, 2015 •
- IPSAS standards.
- All other relevant laws in its operation (regular circulars from treasury and ministry of education)

Key Projects the Institute Implemented

Proposed Tuition Block Phase II Wing B

A proposal was made to the government for funding of a Tuition Block Complex phase II. This will address the issue of facilities that has limited enrolment in the Institute for lack of capacity. This project is anticipated to cost Kshs.33, 800,747.00 and is to be financed by Government of Kenya.

Major risks the Institute is facing; Operational Risks

The Institute faces competition for resources including; students, staff and financial resources.

The Institute's financial assets are trade receivables as well as cash and short term deposits which arise directly from its operations. The Institute has financial liabilities comprising trade and other payables which are all current.

The management has ensured timely payment to suppliers, contractors and other service providers, hence no historic debt. The Institute has exposure to the following risks: i) Liquidity risks ii) Credit risks

The Board has overall responsibility for the establishment and oversight of the Institute's risk management framework. Liquidity Risk

Liquidity risk is the risk that the Institute will not be able to meet its financial obligations as they fall due. The Institute's approach to managing liquidity is to ensure, as far as possible, that it will

Musakasa Technical Training Institute

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always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Institute's reputation.

Credit Risk

Credit risk is the risk of financial loss to the Polytechnic if a customer or counter party to a financial instrument Fails to meet its contractual obligations, and arises principally from the organization's receivables from customers.

The Institute receives fees from students as well as capitation from the Government which minimizes the credit risk exposure.

Material Arrears and Financial Obligations

The Institute had substantial fees arrears totalling to Ksh.182, 800,308.00 from exchange transaction and kshs.50, 025,542.00 from Non Exchange Transaction which had not been received by the year end last financial year was due to strained flow of Government Scholarship capitation funds respectively.

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

The Financial Year 2024/2025 marked a pivotal period for Musakasa Technical Training Institute in advancing its sustainability agenda. Guided by global best practices and national development priorities, the institute made significant strides in environmental stewardship, social inclusion, and economic empowerment. This report outlines the strategic direction, achievements, challenges, and future commitments that define Musakasa's sustainability profile

The global sustainability landscape continues to evolve in response to pressing challenges such as climate change, resource scarcity, and socio-economic inequality. The increasing frequency of extreme weather events, coupled with global inflationary pressures and post-pandemic recovery efforts, has underscored the urgency of sustainable development.

These goals inform institutional planning, curriculum development, infrastructure investment, and community engagement.

Institutional Sustainability Priorities

Musakasa's sustainability policy framework is anchored on three pillars:

Environmental Responsibility

- Adoption of renewable energy solutions
- Waste reduction and recycling initiatives
- Promotion of green technologies in training programs

Social Inclusion

- Equitable access to education and training
- Support for marginalized groups including youth, women, and persons with disabilities (PWDs)
- Gender-responsive policies and practices

Economic Empowerment

- Skills development for employability
- Inclusive procurement and local supplier engagement
- Entrepreneurship support for special interest groups

Performance Overview

- **Green Curriculum Integration:** Introduced modules on sustainable construction and renewable energy.
- **Inclusive Enrollment:** Achieved a 20% increase in enrollment of students from special groups.

Challenges Faced

- **Funding Constraints:** Limited budget affected the scale of infrastructure upgrades.
- **Staff Capacity:** Need for enhanced training on sustainability practices.
- **Procurement Delays:** Bureaucratic hurdles slowed implementation of green projects.

Mitigation Measures

- **Strategic Partnerships:** Collaborated with county government and NGOs for technical support.
- **Staff Development:** Conducted sustainability workshops for faculty and administrative staff.
- **Process Reforms:** Streamlined procurement procedures to improve efficiency.

Service Delivery Charter and Contract Management

Musakasa Technical Training Institute remains committed to delivering quality services in a timely, transparent, and inclusive manner. The **Service Delivery Charter** emphasizes:

- **Timeliness:** Prompt response to student and stakeholder needs
- **Transparency:** Open communication and accountability in service provision
- **Equity:** Fair access to opportunities and resources

Inclusive Contracts Management

The institute's procurement policy promotes equitable participation of local and special interest groups. During FY 2024/2025, contract allocations were as follows:

Supplier Category	Proportion of Contracts Allocated
Local Suppliers/Contractors	60%
Youth-Owned Enterprises	15%
Women-Owned Enterprises	15%
PWD-Owned Enterprises	10%

This approach fosters local economic development and supports national goals on inclusive growth.

Strategic Outlook

Musakasa Technical Training Institute

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Looking ahead, Musakasa Technical Training Institute will focus on:

- **Scaling Renewable Energy:** Targeting 60% solar coverage by FY 2025/2026
- **Curriculum Innovation:** Embedding sustainability across all training programs
- **Monitoring & Evaluation:** Strengthening data collection and impact assessment
- **Community Engagement:** Expanding outreach and partnerships for sustainability

Environmental performance

Musakasa Technical Training Institute has made commendable strides in promoting environmental sustainability. The institute has adopted paperless systems and Waste management practices such as segregation bins and recycling initiatives are in place, alongside efforts to reduce single-use plastics. Climate-smart technologies, including training on drought-resistant crops reflect its commitment to climate resilience. While successes are evident, challenges remain in formalizing environmental policies and improving biodiversity monitoring. Continued investment in green practices and partnerships will strengthen its environmental impact.

In Conjunctions to this the Institute received seedlings from Kaberua Forest Station, in Mount Elgon Bungoma County. The Institute participated in the National Tree Planting Campaign themed “**Panda miti, boresha maisha**”.

The Institute shall continue to sustain its greening initiatives by maintaining over 70% green cover by planting and maintenance of flora in all strategic locations in the Institute.

Employee welfare

Musakasa Technical Training Institute recognizes that its human resource is a cornerstone in achieving institutional goals. The management is committed to promoting employee welfare through strategic initiatives that foster professional growth, job satisfaction, and overall well-being.

Hiring Practices: Musakasa Technical Training Institute recruits qualified trainers and staff based on academic and professional merit, with job postings reflecting clear qualifications and responsibilities.

Gender and PWD Inclusion: While formal ratios are not published, the institute aligns with national TVET guidelines promoting gender balance, youth inclusion, and opportunities for Persons with Disabilities (PWDs).

Stakeholder Engagement: Recruitment and policy updates involve collaboration with the Ministry of Education, TVETA, and local community leaders.

Policy Review Frequency: Institutional policies are reviewed periodically, often aligned with government audits and education reforms.

Skills Development and Career Management

Training and Upskilling: Staff are encouraged to pursue further education and attend workshops. Trainers also engage in curriculum development and research.

Career Progression: Clear job grades and promotion paths exist for trainers, with opportunities to specialize in areas like engineering, ICT, and hospitality.

Appraisal and Rewards: Staff receive annual leave, commuter allowances, and housing benefits. Performance appraisals are conducted to guide promotions and training needs.

Safety and Compliance with OSHA 2007

Safety Policy: Musakasa Technical Training Institute adheres to the Occupational Safety and Health Act (OSHA) of 2007, ensuring safe learning and working environments.

Workplace Safety Measures:

- Regular safety audits and equipment checks
- Fire prevention protocols and evacuation drills
- Protective gear for technical staff and students

Work-Related Injuries: No major incidents were reported in recent audits. The institute emphasizes preventive training and safe workshop practices.

Musakasa Technical Training Institute demonstrates a strong commitment to employee welfare through inclusive hiring, continuous professional development, and strict adherence to safety regulations. These efforts foster a productive, safe, and equitable work environment for all staff.

Market place practices

a) Responsible competition practice

Musakasa Technical Training Institute upholds responsible market practices through transparent procurement, ethical governance, and modern service delivery. The institute ensures fair competition by using open tendering, respecting competitors, and maintaining political neutrality. Anti-corruption measures include audit oversight and adherence to public procurement laws.

To enhance service delivery, Musakasa Technical Training Institute provides a public service charter, uses digital platforms for admissions and payments, promotes cashless transactions, and engages in community outreach. These practices protect the institute's brand, improve efficiency, and foster public trust.

Musakasa Technical Training Institute demonstrates a strong commitment to ethical governance, fair competition, and modern service delivery. Through open tendering, anti-corruption

oversight, and digital transformation, the institute continues to uphold public trust and deliver quality education.

b) Responsible Supply chain and supplier relations

Musakasa Technical Training Institute, located in Bungoma County, Kenya, is a public Technical and Vocational Education and Training (TVET) institution registered under TVETA. As a government-affiliated institution, Musakasa Technical Training Institute adheres to national procurement and financial management standards, which promote transparency, accountability, and fairness in supplier relations.

Key Practices in Supplier Management

- **Competitive Procurement** Musakasa Technical Training Institute follows public procurement laws, including advertising tenders for goods and services. This ensures fair competition among suppliers and promotes value for money. For example, tenders for assorted goods and services are publicly listed and follow strict timelines.
- **Contractual Integrity** The institute honors contracts by engaging suppliers through formal agreements that outline deliverables, timelines, and payment terms. These contracts are governed by Kenya's Public Procurement and Asset Disposal Act.
- **Timely Payments** As a public institution, Musakasa Technical Training Institute is expected to follow government payment protocols, which include timely disbursement of funds upon delivery and verification of goods/services. While delays may occur due to bureaucratic processes, the institute is accountable to oversight bodies.
- **Supplier Diversity** Procurement opportunities are open to a wide range of suppliers, including youth, women, and persons with disabilities, in line with Kenya's affirmative action procurement policies.
- **Transparency and Accountability** All procurement activities are subject to audit and review by internal and external bodies, including the Auditor General and Public Procurement Regulatory Authority (PPRA).

c) Responsible marketing and advertisement or Responsible engagement with the citizens

Musakasa Technical Training Institute demonstrates a strong commitment to ethical marketing and responsible public engagement. Through transparent communication, inclusive outreach, and adherence to public sector standards, the institute builds trust and delivers value to its stakeholders.

Musakasa Technical Training Institute maintains ethical standards in its outreach and advertising by:

Avoiding False Promises: All course offerings and institutional claims are based on accredited programs listed by TVETA and KUCCPS2.

Providing Adequate Information: The institute shares clear details on courses, fees, and admissions through its website and public portals.

Respecting Consumers: Marketing materials are designed to inform and empower prospective students without manipulation or exaggeration.

d) Product stewardship or Awareness creation

Safeguarding Consumer Rights and Interests

Musakasa Technical Training Institute ensures the protection of student and stakeholder rights through the following practices:

- **Health and Safety:** All training programs follow national curriculum standards (KNEC, CDACC and NITA) and safety protocols, especially in technical fields like engineering.
- **Adequate Information:** Course details, fees, and admission requirements are clearly outlined on the institute's website and KUCCPS portal.
- **Dispute Resolution and Redress:** Students can raise concerns through administrative channels, and the institution is subject to oversight by the Ministry of Education and TVETA.
- **Data and Privacy Protection:** Admissions and student records are managed through secure portals, including KUCCPS and internal systems, minimizing unauthorized data access.

v. Corporate Social Responsibility / Community Engagements

At **Musakasa Training Institute**, our purpose is clear and unwavering: *to transform lives*. This guiding principle shapes every aspect of our operations and fuels our dedication to creating meaningful change within the communities we serve.

Grounded in our **five strategic directions**, we place the **citizen at the center** of our mission—delivering relevant, high-quality services and continuously improving operational excellence. Our approach to Corporate Social Responsibility (CSR) and community engagement is not an add-on; it is an integral part of how we fulfill our purpose.

Our CSR Commitments Include:

- **Skills Development & Empowerment:** Offering accessible training programs that equip youth and adults with market-relevant skills for employment and entrepreneurship.
- **Community Partnerships:** Collaborating with local organizations, government bodies, and stakeholders to address pressing social challenges.
- **Environmental Stewardship:** Promoting sustainable practices within our operations and encouraging environmental awareness among our students.
- **Inclusive Access to Education:** Ensuring that marginalized and underserved populations have opportunities to learn, grow, and thrive.
- **Health & Well-being Initiatives:** Supporting community health through awareness

11. Report of the Board of Management

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

Principal activities

The Board submit their report together with the audited financial statements for the year ended June 30, 2024, which shows the state of Musakasa Technical Training Institute's affairs.

Results

The results of Musakasa Technical Training Institute for the year ended June 30th 2025 are set out on page 1 to 5

Board of Management

The members of the Board of Governors who served during the year are shown on page iv. During the year none of the governors retired/ resigned and non was appointed.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Date:.....



12. Statement of Board of Management Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of Technical and Vocational Educational Training Act - require the Board Members to prepare financial statements in respect of the Institute, which give a true and fair view of the state of affairs of Musakasa TTI at the end of the financial year 2024-2025 and the operating results of the for financial year 2024-2025. The Board Members are also required to ensure that Musakasa TTI keeps proper accounting records which disclose with reasonable accuracy the financial position of Musakasa TTI. The Directors are also responsible for safeguarding the assets of Musakasa TTI.

The Board Members are responsible for the preparation and presentation of Musakasa Technical Training Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Musakasa Technical Training Institute; (v) Selecting and applying appropriate accounting policies; and

(vi) Making accounting estimates that are reasonable in the circumstances.

The Board Members accept responsibility for Musakasa financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The TVET Act.

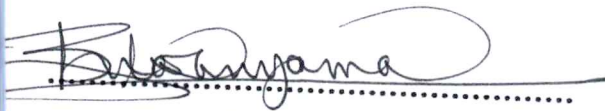
Musakasa Technical Training Institute
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during the financial year ended June 30, 2025, and of the Musakasa Technical Training Institute's financial position as at that date.

The Board Members further confirms the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of Musakasa Technical Training Institute's financial statements as well as the adequacy of the systems of internal financial controls. Nothing has come to the attention of the Board members to indicate that Musakasa Technical Training Institute 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 Musakasa Technical Training Institute's financial statements were approved by the Board on.....19/8/2025..... and signed on its behalf by:



Name.....**DR. BRIAN W. SIROFO**
Chairperson of the Board



Name.....**MOSES KIIZA SAKWA**
Principal / Manager

29 SEP 2025

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Musakasa Technical Training Institute set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Musakasa Technical Training Institute as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical, Vocational and Educational Training Act, 2013, and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Long Outstanding Receivables from Exchange Transactions

The statement of financial position and Note 18 to the financial statements reflects receivables from exchange transactions balance of Kshs.232,825,850 as at 30 June, 2025. The receivables increased by Kshs.133,961,503 from Kshs.98,864,347 reported in the previous year. However, receivables amounting to Kshs.203,537,337 had been outstanding for more than twelve (12) months with no clear framework on recovery. Further, provision for bad and doubtful debts has not been provided in the financial statements.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions balance of Kshs.232,825,850 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis amounts of Kshs.95,268,928 and Kshs.53,306,801 respectively, resulting to under-funding of Kshs.41,962,127 or 44% of the budget. Similarly, the Institute expended Kshs.53,112,103 against an approved budget of Kshs.95,268,928 resulting to under-performance of Kshs.42,156,825 or 44% of the budget.

The under-funding and under-performance affected implementation of the planned activities and programs 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 effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the previous year's audit, issues were raised under Report on the Financial Statements, Emphasis of Matter, Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance, as detailed in **Appendix I**. The Management has indicated under **Appendix I** in respect to implementation status of Auditor-General's recommendations section of the financial statements that some issues have been resolved and others have not been resolved.

However, the evidence supporting the implementation of the recommendations were not provided for audit review and explanation on the delay in resolving the other issues was not provided.

In the circumstances, the issues remain unresolved.

Other Information

Management is responsible for the Other Information set out on page iii to xlv which comprise of Key Entity Information and Management, The Board of Governors, Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report of the Board of Governors, Statement of Board of Governors' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON 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. Unlicensed Trainers

Review of personnel records revealed that Musakasa Technical Training Institute had a total of fifty-nine (59) trainers as at 30 June, 2025. However, only six (6) of the trainers were licensed by the Technical and Vocational Education and Training Authority (TVETA) to offer training services. The rest (53) were not licensed contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 that states that any person who intends to become a trainer in an institution shall apply for licensing and registration by the Board in accordance with the provisions of this Act.

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

2. Non-Compliance with Law on Staff Ethnic Diversity

Review of staff list as at 30 June, 2025 revealed that out of the total number of staff members of seventy-eight (78), a total of fifty-nine (59) or 76% were from one dominant ethnic community, contrary to the provision of the National Cohesion and Integration Act 2008, Section 7(1) and (2) which state that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

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

Responsibilities of the Management and the Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Institute or cease its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 November, 2025

Appendix I

Unresolved Prior Year Audit Matters

Reference No. of the Auditor-General's Report	Observation
	Report on the Financial Statements
1	Inaccuracy of the Statement of Cash Flows
2	Long Outstanding Receivables from Exchange Transactions
	Emphasis of Matter
	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Anomaly in Presentation and Disclosure of Annual Report and Financial Statements
2	Non-Compliance with Law on Staff Ethnic Diversity
	Report on Effectiveness of Internal Controls, Risk Management and Governance
1	Lack of Internal Audit Function
2	Failure to Insure Institute's Assets
3	Failure to Maintain a Complete Noncurrent Assets Register


Musakasa Technical Training Institute

Annual Report and Financial Statements for the year ended 30th June 2025

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

	Notes	2024-2025 Kshs	2023-2024 Kshs
Revenue from non-exchange transactions			
Transfers from the National Government	6	10,006,950	11,289,000
Total Revenue from Non-exchange transactions		10,006,950	11,289,000
Revenue from exchange transactions			
Rendering of Services- Fees from Students	7	152,615,636	106,328,928
Sale of Goods	8	1,388,308	1,419,930
Other Income	9	8,148,226	4,533,842
Revenue from Exchange Transactions		162,152,170	112,282,700
Total Revenue		172,159,120	123,571,700
Expenses			
Use of Goods and Services	10	41,144,870	42,483,825
Employee Costs	11	11,827,071	13,899,849
Remuneration of Directors	12	1,074,450	1,226,595
Depreciation and Amortization Expense	13	15,010,549	184,014
Repairs and Maintenance	14	320,665	742,479
Finance Costs	15	840,980	417,082
Total Expenses		70,218,584	58,953,844
Other gains/(losses)			
Net Surplus for the year		101,940,536	64,617,856

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



Name DR. BRIAN W. S. N. 2020
Chairman of Board

Date 29/9/2025



Name Chusir Namba
Accountant
ICPAK No. 25961

Date 29/9/2025



Name MOSES KIRIZA SARWA
Principal

Date 29 SEP 2025



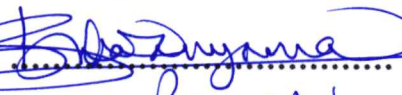
Musakasa Technical Training Institute


Annual Report and Financial Statements for the year ended 30th June 2025

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

	Notes	2024-2025 Kshs	2023-2024 Kshs
Assets			
Current assets			
Cash and Cash Equivalents	16	126,708	2,599,288
Receivables from Exchange Transactions	18	232,825,850	98,864,347
Receivables from Non-exchange Transactions	19	-	-
Inventories	20	728,257	1,135,037
Total Current Assets		233,680,815	102,598,672
Non-current Assets			
Property, Plant and Equipment	21	169,528,630	180,327,345
Intangible Assets	22	215,954	399,968
Total Non-current Assets		169,744,584	180,727,313
Total Assets (A)		403,425,399	283,325,985
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	23	23,252,834	6,891,412
Prepayments	17	6,092,507	4,254,391
Total Current Liabilities		29,345,341	11,145,803
Non-current Liabilities			
Borrowings	24	2,462,314	2,502,973
Total Non-current Liabilities		2,462,314	2,502,973
Total Liabilities (B)		31,807,655	13,648,776
Net Assets (A-B)		371,617,744	269,677,208
Represented By:			
Revaluation Reserve	25	180,327,345	180,327,345
Accumulated Surplus		191,290,399	89,349,863
Capital Fund		-	-
Net Assets		371,617,744	269,677,208

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


 Name Dr. Beatrice W. N. N. N.
 Chairman of Board


 Name Christine Wambui
 Accountant
 ICPAK NO. 25961


 Name MOSES KIRIA SAKWA
 Principal

Date 29/9/2025

Date 29/9/2025

PRINCIPAL / SECRETARY BOG
 Musakasa Technical Training Institute
 Date 29 SEP 2025
 P. O. Box 1249-50200,
 BUNGOMA

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

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital	Total
Balance c/d As at July 1st, 2023	169,681,604	-	24,732,007	235,184	194,648,795
Revaluation gain	10,645,741			-235,184	10,410,557
Fair value Adjustment on quoted investments					-
Total Comprehensive Income			64,617,856		64,617,856
Capital/Development Grants Received during the year					-
Transfer of depreciation/amortization from capital fund to retained earnings					-
Balance c/d As at June 30th, 2024	180,327,345	-	89,349,863	-	269,677,208
Balance c/d as at July 1st, 2024	180,327,345	-	89,349,863	-	269,677,208
Revaluation gain	-			-	-
Fair value adjustment on quoted investments					-
Total Comprehensive Income			101,940,536		101,940,536
Capital/Development Grants Received during the year				-	-
Transfer of Depreciation/Amortization from Capital fund to Retained Earnings					-
Balance c/d As at June 30, 2025	180,327,345	-	191,290,399	-	371,617,744

Musakasa Technical Training Institute

Annual Report and Financial Statements for the year ended 30th June 2025

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

	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government Entities/Govt. Grants		10,006,950	11,289,000
Rendering of Services- Fees from Students		33,763,317	50,763,182
Sale of Goods		1,388,308	1,419,930
Other Incomes		8,148,226	4,533,842
Total Receipts		53,306,801	68,005,954
Payments			
Compensation of Employees		9,731,139	13,899,849
Use of Goods and Services		41,144,870	35,592,413
Remuneration to Directors		1,074,450	1,226,595
Finance Cost		840,980	417,082
RMI		320,665	742,479
Total Payments	27	53,112,103	51,878,418
Net cash flows from Operating Activities		194,698	16,127,536
Cash flows from Investing Activities			
Purchase of Property, Plant, Equipment		-4,027,820	-16,853,147
Purchase of Intangible Assets		0	0
Proceeds from the sale of Property, Plant, and Equipment	27	0	0
Net Cash flows used in Investing Activities		-4,027,820	-16,853,147
Cash flows from Financing Activities			
Proceeds from Borrowings		2,462,314	2,502,973
Repayment of Borrowings		-1,101,772	-2,007,707
Development Grant	27	0	0
Net Cash flows used in Financing Activities		1,360,542	495,266
Net Increase/(Decrease) in Cash and Cash Equivalents		-2,472,580	-230,345
Cash and Cash Equivalents At 1st July 2024		2,599,288	2,829,633
Cash and Cash Equivalents At 30th June 2025		126,708	2,599,288

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

	Original Budget	Adjustments	Final Budget	Actual on Comparable basis	Performance Difference	Utilization Difference
	a	b	c=(a+b)	d	e=(c-d)	f=d/c
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other Govt Entities	20,640,000	- 10,000,000	10,640,000	10,006,950	633,050	94.05
Rendering of services- Fees from Students	107,228,928	- 31,308,000	75,920,928	33,763,317	42,157,611	44.47
Sale of Goods	1,400,000	- 100,000	1,300,000	1,388,308	-88,308	106.79
Other Incomes	15,180,000	- 7,772,000	7,408,000	8,148,226	-740,226	109.99
Total Income	144,448,928	- 49,180,000	95,268,928	53,306,801	41,962,127	
Expenses						
Compensation of Employees	23,605,248	- 13,700,000	9,905,248	9,731,139	174,109	98.24
Use of Goods and Services	109,890,496	- 26,780,000	83,110,496	41,144,870	41,965,627	49.51
Repairs & Maintenance	6,853,184	- 6,500,000	353,184	320,665	32,519	90.79
Remuneration of Directors	2,700,000	- 1,700,000	1,000,000	1,074,450	-74,450	107.45
Finance Cost	1,400,000	- 500,000	900,000	840,980	59,020	93.44
Total Expenditure	144,448,928	- 49,180,000	95,268,928	53,112,103	42,156,825	

1. Provide explanation of differences between actual and budgeted amounts (10% over/under) IPSAS 24.14

- **Revenue Shortfall:** The institute collected only 44.47% of its final budgeted revenue. The most significant gap was in student fees, which contributed to over 55.5% of the total revenue shortfall. The variance indicates that there was under collection of fees from students. Revenue mobilization, particularly from student fees, requires strategic review to improve future performance.
- **Expenditure Control:** Actual spending was 49.51 % of the final budget, indicating financial constraints due to un realization of funds from student debtors and scholarship funds.
- The budget variance under Rental Income was brought about the changes in management policies of not collecting boarding fees from students due to challenges in boarding facilities.
- **Net Position:** Despite lower revenue, the Institute maintained expenditure within available resources and demonstrated strong expenditure control by maintaining spending within available resources and ensuring fiscal discipline. The continued monitoring and adjustment of budget assumptions will enhance fiscal sustainability.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	194,698
1	Purchase of property plant and equipment	-4,027,820
2	Proceeds from borrowing	2,462,314
3	Repayment of borrowing	-1,101,772
4	Cash and cash equivalent brought forward from 2023/2024	2,599,288
	Closing Cash and Cash Equivalent as per the statement of Cash flows	126,708

19. Notes to the Financial Statements

1. General Information

Musakasa Technical Training Institute is established by and derives its authority and accountability from TVET Act. The institute is wholly owned by the Government of Kenya and domiciled in Bumula Sub-County. The Institute’s principal activity is to provide quality technical and vocational training in collaboration with stake holders to produce highly skilled and innovative human resource.

2. Statement of Compliance and Basis of Preparation

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

3. Adoption of New and Revised Standards

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

There are no new standards and interpretations issued in the Financial Year.

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of the Institute. The new standard requires entities to recognise, measure and present information

	<p>on right of use assets and lease liabilities. The Institute did not have any leases as at end of the financial year 30th June 2025</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. The Institute did not have any non-current assets held for sale and discontinued operations as at 30 June 2025</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. The Institute did not have heritage and infrastructure assets operations as at 30 June 2025</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>IPSAS 46 will aid the Institute to define measurement bases that assist in reflecting fairly: The cost of services and the operational capacity & financial capacity of assets and liabilities</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an</p>

	<p>entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The Institute will properly recognise and classify revenue.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The Institute did not have transfer expenses as at 30th June 2024</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>The Institute do not pay benefits for its employees but remits monthly dues to NSSF.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p>The Institute did not have Exploration For & Evaluation of Mineral Resources as at 30th June 2025</p>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

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 2024/2025 was approved by the Board on 30/01/2024 . Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. Accordingly, the institute recorded additional appropriations of Kshs.143,048,927 on the FY 2024/2025 budget following the Board's approval. The Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of cash flows has been presented.

c) Taxes

Current income tax

The Institute is exempt from paying taxes

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an 99-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

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

benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

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

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Institute's does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Institute's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity 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 Institute's classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the institute classifies 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 entity 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 Institute 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 entity 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 xx*.

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

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

l) Provisions

Provisions are recognized when the institute 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 institute 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 Institute 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 Institute 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 Institute in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

m) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity 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 entity will incur in fulfilling the present obligations represented by the liability.

n) Nature and purpose of reserves

The Institute creates and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

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

employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

q) Foreign currency transactions

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

r) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

s) Related parties

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

t) Service concession arrangements

The Institute 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 Institute 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 Institute also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

v) Comparative figures

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

w) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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

6. Transfers from National Government Entities

	KShs	KShs
Operational Grant	10,006,950	11,289,000
Other Grants	0	0
Total Government grants and subsidies	10,006,950	11,289,000

7. Fees from Students

Description	2024-2025	2023-2024
	KShs	KShs
Tuition Fees	80,648,094	54,333,792
Activity Fees	10,469,545	7,449,728
RMI	7,747,646	5,649,184
LTT Fees	9,770,436	7,382,688
Medical Fees	4,160,667	2,624,000
Personal Emoluments	28,979,613	19,993,248
EWC Income	9,381,636	6,832,288
Attachment	1,458,000	2,064,000
Total Rendering of Services	152,615,636	106,328,928

8. Sale of Goods

Description	2024-2025	2023-2024
	KShs	KShs
Catering income	167,770	20,450
Tuition IGA	33,550	252,000
Kitchen(PAYE)	420,157	410,425
Food and Beverage	80,712	89,300
Bus Hire	405,500	603,100
Sale of Farm Produce	210,214	44,655
College Clinic	68,515	0
Hair Dressing	1,890	0
Total Sale of Goods	1,388,308	1,419,930

9. Other Income

Description	2024-2025	2023-2024
	KShs	KShs
Registration fees	331,880	569,302
Examination fees	6,417,268	2,033,020
Refunds	3,000	148,270
KUCCP Application fee	778,098	1,429,850
Student Union/Welfare	388,390	129,000
Student ID	71,000	54,500
Tveta IQA	0	14,900
Practical Material	40,000	2,000
Gate Pass	3,000	87,000
RPL Fees	6,000	0
Graduation	109,590	66,000
Total other Income	8,148,226	4,533,842

10. Use of Goods and Services

Description	2024-2025	2023-2024
	KShs	KShs
Activity Expense	4,978,630	2,032,840
Tuition Expense	23,382,226	29,781,701
Attachment Expense	596,700	649,600
Student Union	245,000	153,820
Kitchen Expense	211,843	626,975
Bes Expense	7,500	36,000
Examination Expense	5,992,070	2,909,505
Registration Expenses	378,725	32,800
KUCCPS Expense	0	354,000
Farm Expense	43,300	68,529
LT&T Expense	1,322,300	1,952,582
Medical Expense	77,540	16,920
Electricity, Water & conservancy	385,462	419,874
Tender Expenses	0	36,120
BUS Expenses	427,560	679,660
Advance	25,500	110,670
HELB student Refund	0	98,910
Security	438,060	0
Cardinal Maurice Otunga HELB Refund	1,507,508	1,411,634
PU Expenses	1,124,946	1,111,685
Total Use of Goods and Services	41,144,870	42,483,825

11. Employee Costs

Description	2024-2025	2023-2024
	KShs	KShs
Basic Salary	7,925,992	13,899,849
House Allowance	1,434,450	0
Commuter Allowance	1,100,000	0
Medical Allowance	342,590	0
Responsibility	36,000	0
Leave Allowance	34,000	0
Acting Allowance	51,016	0
Employers NSSF	629,872	0
AHL	163,661	0
NITA	27,600	0
Employee related costs -	81,890	0
Total Employee costs	11,827,071	13,899,849

12. Board Expenses

Description	2024-2025	2023-2024
	KShs	KShs
Chairman's Honoraria	250,000	100,000
Board of Governors' Emoluments	824,450	1,126,595
Other Allowances	0	0
Total director emoluments	1,074,450	1,226,595

13. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	KShs	KShs
Property, Plant and Equipment	14,826,535	0
Intangible Assets	184,014	184,014
Investment property carried at cost	0	0
Total depreciation and amortization	15,010,549	184,014

14. Repairs and Maintenance

Description	2024-2025	2023-2024
	KShs	KShs
RMI	320,665	742,479
Total Repairs and Maintenance	320,665	742,479

15. Finance Costs

Description	2024-2025	2023-2024
	KShs	KShs
Borrowings (amortized cost)*	427,980	417,082
Finance Costs for FY. 2022/2023 Adjusted	413,000	
Finance Leases (amortized cost)	0	0
Total finance costs	840,980	417,082

16.(a) Cash and Cash Equivalents

Description	2024-2025	2023-2024
	KShs	KShs
Current account	118,127	2,571,587
On - call deposits	0	0
Fixed deposits account	0	0
Staff car loan/ mortgage	0	0
Others(Cash in Hand)	8,581	27,701
Total Csh and Cash Equivalents	126,708	2,599,288

16 (b). Detailed Analysis of Cash and Cash Equivalents

Financial institution	Account number	Period ended June 30th 2025	Period ended June 30th 2024
		KShs	KShs
a) Current account			
Co-operative Bank	1134291182100	79	341,010
Co-operative Bank-CDF A/c	1141291182100	0	580
Kenya Commercial Bank-Main	1166608387	14,000	2,008,526
Kenya Commercial Bank-PU	1166608247	102,739	74,437
Kenya Commercial Devt	1166608077	1,309	147,034
Sub- Total		118,127	2,571,587
b) Others(specify)			
Cash in Transit		0	0
Cash in Hand		8,581	27,701
Mobile Money Account		0	0
Sub- Total		8,581	27,701
Grand Total		126,708	2,599,288

17. Prepayments

Description	2024-2025	2023-2024
	KShs	KShs
Student Fees	6,092,507	4,254,391
Others	0	0
	6,092,507	4,254,391

18. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	KShs	KShs
Current receivables		
Student Debtors	182,800,308	89,513,347
Rent Debtors	0	0
Staff Debtors	0	0
Other Exchange Debtors (Government portion)	50,025,542	9,351,000
Less: impairment allowance		0
Total current receivables	232,825,850	98,864,347
Non-current receivables	0	0
Refundable deposits	0	0
Advance payments	0	0
Public organizations	0	0
Less: impairment allowance	0	0
Total Non-current Receivables	0	0
Total Receivables	232,825,850	98,864,347

18 (b) Ageing Analysis of Receivables from Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the Total	Comparative FY	% of the Total
Less than 1 year	29,288,514	10.35 %	79,091,478	80.00%
Between 1- 2 years	37,135,353	13.13%	19,772,869	20.00%
Between 2-3 years	92,187,933	32.59%	0	0.00%
Over 3 years	74,214,051	26.24%	0	0.00%
Govt portion	50,025,542	17.69%	0	0.00%
Total (a+b)	232,825,850	100.00%	98,864,347	100.00%

20. Receivables from non-exchange transactions

19(a) Receivables from Non-exchange Transactions

Description	2024-2025	2023-2024
	KShs	KShs
Current receivables	0	0
Undisbursed donor funds	0	0
Other debtors (non-exchange transactions)	0	0
Less: impairment allowance	0	0
Total current receivables	0	0

19(b) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of the Total	Comparative FY	% of the Total
Less than 1 year	0	0	0	%
Between 1- 2 years	0	0	0	%
Between 2-3 years	0	0	0	%
Over 3 years	0	0	0	%
Total (a+b)	0	%	0	%

20. Inventories

Description	2024-2025	2023-2024
	KShs	KShs
Building Equipment & Consumable stores	122,230	321,200
Electrical and Electronics	60,515	71,651
College Clinic	83,816	5,201
Farm	3,960	19,341
Consumables Stores	0	51,000
Automotive	62,888	294,650
General Stores	13,850	0
Stationaries	362,540	317,380
Catering Stores	18,458	54,614
Total Inventories	728,257	1,135,037

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21. Property, Plant and Equipment

	Land	Buildings				library books	equipment	Work in progress	
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 30th June 2024	21,800,000	66,500,000	5,500,000	6,050,975	3,209,000	530,420	75,500,000	1,236,950	180,327,345
At 1st July 2024	21,800,000	66,500,000	5,500,000	6,050,975	3,209,000	530,420	75,500,000	1,236,950	180,327,345
Additions	0	0	480,000	2,403,240	911,080	0	233,500	0	4,027,820
Disposals	0	0	0	0	0	0	0	0	0
Transfers/adjustments	0	0	0	0	0	0	0	0	0
At 30th June 2025	21,800,000	66,500,000	5,980,000	8,454,215	4,120,080	530,420	75,733,500	1,236,950	184,355,165
Depreciation and Impairment									
At 30th June 2024	0	0	0	0	0	0	0	0	0
At 1st July 2024	0	0	0	0	0	0	0	0	0
Depreciation	0	1,330,000	1,495,000	1,056,777	1,371,987	106,084	9,466,688	0	14,826,535
Disposals	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0
Transfers/Adjustment	0	0	0	0	y	0	0	0	0
At 30th June 2025	0	1,330,000	1,495,000	1,056,777	1,371,987	106,084	9,466,688	0	14,826,535
Net book values									
At 30th June 2024	21,800,000	66,500,000	5,500,000	6,050,975	3,209,000	530,420	75,500,000	1,236,950	180,327,345
At 30th June 2025	21,800,000	65,170,000	4,485,000	7,397,438	2,748,093	424,336	66,266,813	1,236,950	169,528,630

[Include Brief Description Of WIP)

21.(a)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 Sterling Valuers Limited - professional valuers on 24th May 2024. These amounts were adopted in the financial statements on 30 June 2024.

21. (b) Property, Plant and Equipment at Cost

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

Description	Depreciation Rates	Cost	Accumulated Depreciation	NBV
	%	Kshs	Kshs	Kshs
Land	0.0%	21,800,000	-	21,800,000
Buildings	0.0%	66,500,000	1,330,000	65,170,000
Plant And Machinery	12.5%	75,733,500	9,466,688	66,266,813
Motor Vehicles including Motorcycles	25.0%	5,980,000	1,495,000	4,485,000
Computers and Related Equipment	33.3%	4,120,080	1,371,987	2,748,093
Library	20.0%	530,420	106,084	424,336
Office Equipment, Furniture, and Fittings	12.5%	8,454,215	1,056,777	7,397,438
Work in progress	0.0%	1,236,950	-	1,236,950
Total		184,355,165	14,826,535	169,528,630

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22. Intangible Assets

Description	2024-2025	2023-2024
	KShs	KShs
	0	0
Cost		
At beginning of the year	920,070	572,070
Additions	0	348,000
Cost end of the year	920,070	920,070
Amortization and impairment		
At beginning of the year	520,102	336,088
Amortization	184,014	184,014
Amortization at end of the year	704,116	520,102
Less :Impairment loss		
At end of the year	0	0
NBV	215,954	399,968

23. Trade and Other Payables from Exchange Transactions

Description	2024-2025		2023-2024	
	KShs		KShs	
Trade payables	13,651,821		5,211,061	
Staff Salaries	2,560,752		0	
Staff Gratuity	0		0	
Capitation	0		0	
Caution money	0		0	
Thirty Party Payments (Retention)	1,680,351		1,680,351	
Other Commitments	5,134,065		0	
Accrued loan/Interest	225,845		0	
Helb loans	0		0	
Total Trade and Other Payables	23,252,834		6,891,412	
Ageing Analysis:	2024-2025	% of the Total	2023-2024	% of the Total
	KShs		KShs	
Under one year	21,572,483	93%	6,764,037	98%
1-2 years	1,680,351	7%	127,375	2%
2-3 years	0	0%	0	%
Over 3 years	0	0%	0	%
Total (to tie to totals above)	23,252,834	100%	6,891,412	100%

24. Borrowings

Description	2024-2025	2023-2024
	KShs	KShs
Borrowings - Current portion		
Government bonds issued	0	0
Commercial bank Loans	0	0
Other loans- from donor and financiers	0	0
Total current portion	0	0
	0	0
Borrowings - Non current portion	0	0
Government bonds issued	0	0
Commercial bank Loans	2,462,314	2,502,973
Other loans- from donor and financiers		0
Total Non current portion	2,462,314	2,502,973

25. Reserves

Description	2024-2025	2023-2024
	KShs	KShs
Revaluation reserve	180,327,345	169,681,604
Retained earnings	191,290,399	10,645,741
Capital reserve	0	235,184
Total funds	371,617,744	180,562,529
Total borrowings	2,462,314	2,502,973
Less: cash and bank balances	126,708	2,599,288
Net debt/(excess cash and cash equivalents)	-2,335,606	96,315
Gearing	-1	1.03%

26. Cash Generated from Operations.

	2024-2025	2023-2024
	KShs	KShs
Surplus/(Deficit) for the year	101,940,536	64,617,856
Adjusted for:		
Depreciation	15,010,549	184,014
Non-Cash grants received	0	0
Finance Cost	840,980	417,082
Working Capital Adjustments		
Increase/Decrease in Inventory	0	741,789
Increase/Decrease in Receivables	0	-48,940,710
Increase/ Decrease in Payables	0	-5,146,886
Increase/ Decrease in Payments received in Advance	0	4,254,391
Net Cash Flow from Operating Activities	117,792,065	16,127,536

27. Prior Year Adjustments for Cash Flow Statement

	2024-2025	2023-2024
	KShs	KShs
Total Payments FY.2023/2024 Cash flows	0	51,985,753
Less: Overcast error	0	-
Adjusted Cash flow for FY.2023/2024	0	51,878,418
Reported Balance for Property Plant and Equipment	0	15,854,896
Add: Additional Value in PPE	0	998,251
Adjusted PPE for FY.2023/2024	0	16,853,147
Development Grant Reported Balance	0	12,500,000
Less: Development Grant Included in Work in Progress	0	-12,500,000
Adjusted Development Grant for FY.2023/2024 in the Cash flow Statement	0	0

28. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from Exchange Transactions	98,864,347	98,864,347	0	0
Receivables from Non-exchange Transactions	0	0	0	0
Bank Balances	2,599,288	2,599,288	0	0
Total	101,463,635	101,463,635	0	0
At 30 June 2025			0	0
Receivables from Exchange Transactions	232,825,850	232,825,850	0	0
Receivables from Non-exchange Transactions	0	0	0	0
Bank Balances	126,708	126,708	0	0
Total	232,952,558	232,952,558	0	0

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

The Board of Directors sets the Institute'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 entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1 month	Between 1-3 months	Over 4 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	0	6,764,037	127,375	6,891,412
Provisions	0	0	0	-
Deferred Income	0	0	0	-
Total	0	6,764,037	127,375	6,891,412
At 30 June 2025				
Trade Payables	0	9,517,317	13,735,517	23,252,834
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Total	0	9,517,317	13,735,517	23,252,834

(iii) Market risk

The Institute has put in place an internal audit function to assist it in assessing the risk faced by the entity 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 Institute's income or the value of its

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

a) Interest rate risk

Interest rate risk is the risk that the Institute's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

iv) Capital Risk Management

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

	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	180,327,345	169,681,604
Retained Earnings	191,290,399	10,645,741
Capital Reserve	-	235,184
Total Funds	371,617,744	180,562,529
Total Borrowings	2,462,314	2,502,973
Less: Cash and Bank Balances	126,708	2,599,288
Net Debt/(Excess Cash and Cash Equivalents)	2,335,606	96,315
Gearing	0.63%	1.03%

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29.Related Party Balances

Nature of related party relationships

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

Government of Kenya

The County Government of Kenya is the principal shareholder of the Institute. The Government of Kenya has provided full guarantees to all long-term lenders of the Institute, both domestic and external. Other related parties include:

- i) The National Government.
- ii) The Parent Department.
- iii) Board of Governors;
- iv) Key management;

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

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Hire of facility by govt. agencies	0	0
Others	0	0
Total	0	0
B) Purchases from related parties	0	0
Purchases of electricity from kplc		
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. agencies	0	0
Others	0	0
Total		
b) Grants /Transfers from the Government		
Grants from National Govt	10,006,950	11,289,000
Grants from County Government	0	0
Donations in Kind	0	0
Total	10,006,950	11,289,000
Total		
c) Key Management Compensation		
Board of Management Emoluments	1,074,450	1,226,595
Compensation to Key Management	0	0
Total	1,074,450	1,226,595

30. Capital Commitments

Capital Commitments	2023-2024	2022-2023
	Kshs	Kshs
Authorised for	33,800,747.00	33,800,747.00
Authorised and Contracted for	26,803,853.00	26,803,853.00

31. Events After The Reporting Period

There were material adjusting and non-adjusting events after the reporting period.

32. Currency

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

20 .Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved /Not Resolved	Time frame:
2023/2024	<p>1.Inaccuracy of the Statement of Cash Flows.</p> <p>The statement of cash flows indicated cash and cash equivalent balance of Kshs.2,599,288 as at 30 June 2024. However, Note 25 to the financial statements in respect to cash generated from operations indicates net cash flows operating activities of Kshs.16,127, 536 which differs with Kshs.16,020,201 reflected in the statement of cash flows, resulting to an unreconciled and an unexplained variance Kshs.107,335.</p> <p>In the circumstances, the accuracy and completeness of net cash flows from operating activities of Kshs.16,020.201 could not be confirmed.</p>	<p>-The management is in agreement with the auditor's observation which was a casting error and the statement of cash flows shall be revised in the Financial Year 2024/2025.</p>	Resolved	30/6/2025
2023/2024	<p>2.Long Outstanding Receivable from Exchange Transactions</p> <p>The statement of financial position and Note 18 to the financial statements reflects receivable from exchange transactions balance of Kshs.98,864,347. However, receivables amounting to Kshs.19,772,869 had been outstanding for more than twelve (12) months with no clear framework on recovery, further, provision for</p>	<p>-The management has been making efforts on follow ups with Ministry of Education over capitation arrears and aggressive marketing of Institution programs to attract more students to avoid adverse effects of service delivery</p> <p>-The management has developed a policy on provision for bad and doubtful debts to address, on how to treat the debts and the period they should remain outstanding before written of</p>	Not resolved	30/6/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved /Not Resolved	Time frame:
	bad and doubtful debts has not been provided in the financial statements. In the circumstances, the accuracy and recoverability of receivables from exchange transactions balance of Kshs.98, 864,347 could not be confirmed.			
2023/2024	<p>Budgetary Control and Performance</p> <p>The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.125,958,928 and Kshs.68,005,954 respectively resulting in under-funding of Kshs.57,952,974 or 46% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.125, 958,928 and Kshs.51, 645,350 respectively resulting in under-expenditure of Kshs.74, 313,578 or 59% of the budget.</p> <p>The under-funding and under-expenditure affected implementation of the planned activities and programs and may have impacted negatively on service delivered to the public.</p>	<p>-The Management has been striving to adhere to full implementation of its planned activities as per the approved annual budgetary allocations through aggressive marketing of the Institution programs to attract more trainees. However, challenges of under-funding from the Ministry has resulted to under-expenditure.</p> <p>-The management has been making efforts on follow ups with the Ministry of Education over capitation arrears to avoid adverse effects of service delivery to the public</p>	Not resolved	30/6/2026
2023/2024	<p>4.Anomaly in Presentation and Disclosure of Annual Report and Financial Statements</p> <p>Review of the annual report and financial statements revealed non-compliance with revised International Public Sector Accounting</p>	-The management is in agreement with the auditor's findings and shall ensure that the statement has been fully signed by the chairman of the Board and the Principal of the Institute.	Resolved	30/6/2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved /Not Resolved	Time frame:
	Standards (IPSAS) financial reporting template as the statement of Board of Management responsibilities was not signed by the chairman of the Board and the Principal of the Institute. In the circumstances, the annual report and financial statements do not comply with the financial reporting framework requirements and guidelines issued by the Public Sector Accounting Standards Board			
2023/2024	5.Non-Compliance with Law on Staff Ethnic Diversity Review of the Institute’s staff bio data and the payroll for the month of June 2024, revealed that the Institute had a total of forty-one (41) staff members out of whom thirty-two (32) or 78% were from one ethnical community. This was contrary to Section 7(1) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishments shall have more than one third of its staff from the same ethnic community. In the circumstances, management was in breach of the law	-When the college was starting, the sustainability of people from far to work for the Institute was impossible, the BOG by then resorted on those from the locals due to inadequacy in resources. -However, the Institution resolved that future engagement in our staff establishment will focus on reaching the targeted ratio of ethnicity balance, this is as when vacancies arise in our staff establishment the and shall enhance Compliance with National Cohesion and Integration Act 2008 on ethnicity composition especially with trainers who are currently showing the face of Kenya and thus promoting the workforce diversity	Not resolved	30/6/2027
2023/2024	6.Lack of Internal Audit Function During the year under review, the Institute did not have auditor. In the circumstances, the roles stipulated in Section 73(3) of the Public Finance Management Act, 2012 which include reviewing the governance mechanism of the entity and mechanisms for transparency and accountability with regard to the finances and assets of the entity,	-The management is committed to hiring of an internal auditor once the resources are available. -The management have been striving to ensure internal controls are adhered by outsourcing internal audit services.	Not resolved	30/6/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved /Not Resolved	Time frame:
	<p>conducting risk-based, value-for-money and systems audits aimed at strengthening Internal control mechanisms that could have an impact on achievement of the strategic objectives of the entity, verifying the existence of assets administered by the entity and ensuring that there are proper safeguards for their protection and providing assurance that appropriate institutional policies and procedures and good business practice are followed by the entity were not performed.</p> <p>In the circumstances, the effectiveness of the internal controls of the Institute could not be confirmed.</p>			
2023/2024	<p>7.Failure to Insure Institute's Assets</p> <p>The statement of financial position and Note 20 to the financial statements reflect property, plant and equipment balance of Kshs.180,327,345. However, the Institute's assets were not insured as per The National Treasury Guidelines on Asset and Liability Management in the Public Sector 2020, part IV (i) C- (3) which states that Accounting Officer shall arrange for timely acquisition of Insurance cover and renewal of all insurance policies to ensure that they are budgeted for and that the public sector entity's assets are adequately protected.</p> <p>In the circumstances, the indemnity of Institute's assets against possible risks could not be confirmed</p>	<p>- The management is in agreement with the auditor's observation, currently the Institute had prequalified the service provider for Insurance of Assets and the necessary procedures had been initiated just awaiting for funds.</p> <p>-Attached find the Evaluation Minutes and professional Opinion from Evaluation Committee.</p>	Not resolved	30/6/2026
2023/2024	<p>8. Failure to Maintain a Complete Non-current Assets Register</p> <p>The statement of financial position and Note 20 to the financial statements reflect property, plant & equipment balance of</p>	<p>-The management is in agreement with the auditor's findings but had initiated a tagging process to update the assets register to include the</p>	Not resolved	30/6/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved /Not Resolved	Time frame:
	<p>Kshs.180,327,345. However, the asset register maintained does not include asset description, serial number, tag number, make/ model, suppliers name, original location, current location, officer responsible for each asset, asset condition and asset cost.</p> <p>In the circumstances, the effectiveness of non-current assets management could not be confirmed</p>	required information once funds are available		

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Institute responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



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Name..... MOSES KIIZA SAKWA

Principal/Secretary Board
Musakasa Technical Training Institute

Date

PRINCIPAL / SECRETARY BOG
Musakasa Technical Training Institute

29 SEP 2025

P. O. Box 1249-50200,
BUNGOMA

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Appendix II: Projects Implemented by Musakasa Technical Training Institute

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1.Tuition Block Phase II Wing B		GOK		33,800,747.00	NO	YES

Status of Project Completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Tuition Block Phase II Wing A	26,803,853.00	25,123,468.00	93.7%	26,803,853.00	26,803,853	GOK

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Appendix III- Inter-Entity Confirmation Letter

Name of Transferring Entity: Ministry of Education
 Name of Beneficiary Entity: Musakasa Technical Training Institute

Confirmation of amounts received by: Musakasa Technical Training Institute As At 30th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
Capitation Q1	23/09/2024	3,512,425.00	0	3,512,425.00	Q4- 2023/2024
Capitation Q2	24/09/2024	2,750,525.00	0	2,750,525.00	Q1-2024/2025
Capitation Q3	17/02/2025	3,744,000.00	0	3,744,000.00	Q2-2024/2025
Capitation Q4	None	0	0	0	Q3-Nil
		0	0	0	Q4-Nil
Scholarship Q1	20/09/2024	1,746,339.00	0	1,746,339.00	2023/2024
Scholarship Q1	20/09/2024	7,288,804.70	0	7,288,804.70	2023/2024
Scholarship Q1	20/09/2024	1,349,923.90	0	1,349,923.90	2023/2024
Scholarship Q1	23/09/2024	33,422.00	0	33,422.00	2023/2024
Scholarship Q1	24/09/2024	5,878,462.50	0	5,878,462.50	2023/2024
Total		26,303,902.10	0	26,303,902.10	

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

Head of Accounts Department : Ministry of Education

Name Sign Date

Head of Accounts Department - Musakasa Technical Training Institute

Name Christine Wamboka Sign [Signature] Date.....



Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds
				Q1	Q2	Q3	Q4	
Tree Planting	Tree Planting	-Purifying air conditioning Saving water Providing shelters for wild life -Reinforcing soil - Renewable energy source Erosion control	-Purchase of seedlings -Planting -Irrigating of trees during drought seasons - Cultivating of trees -Spraying of trees	0	7,850	0	11,500	Tuition
				0	7850	0	11,500	