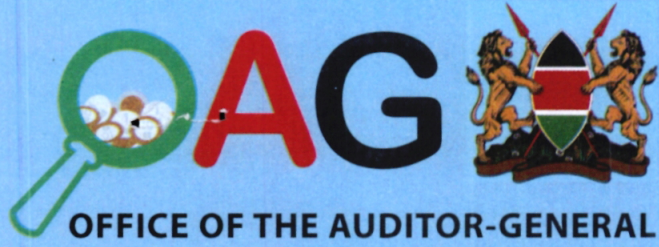


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Enhancing Accountability

REPORT

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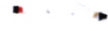
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 JUN 2025	DAY: THURSDAY
TABLED BY:	LEADER OF THE MAJORITY PARTY
CLERK-AT-TABLE:	WILLS OBIERO

THE AUDITOR-GENERAL

ON

MICHUKI TECHNICAL TRAINING INSTITUTE

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



1. The first part of the document
 discusses the importance of
 maintaining accurate records
 for all transactions. This
 includes both income and
 expenses. It is essential to
 keep receipts and invoices
 for all purchases and sales.
 This will help in calculating
 the net profit or loss for the
 business.

The second part of the
 document covers the
 various methods of
 financing a business. It
 discusses the pros and
 cons of different options
 such as bank loans, credit
 cards, and crowdfunding.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

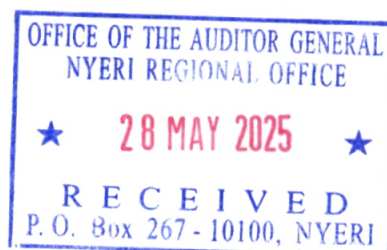


MICHUKI TECHNICAL TRAINING
INSTITUTE
P.O. BOX 4 10202
KANGEMA



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30TH JUNE 2024



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

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

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1. Acronyms & Glossary of Terms

COB	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVET	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity

2. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

Michuki Technical Training Institute (MTTI) was incorporated/ established under the TVET Act 2013. The entity is domiciled in Kenya and is located in Iyego Location, Kangema Sub-county in Murang'a County. It has no branches. The institute is under the Ministry of Education.

b) Principal Activities

The Mandate of Michuki Technical Training Institute is to provide Technical, Vocational and Entrepreneurship Training (TVET) using appropriate technology to empower trainees for individual and national development. The Institute provides leadership in designing suitable plans and strategies that contribute to high and sustainable socio-economic development; The Institute has a credible strategic plan and performance contract that delivers the desired goals. It is also our undertaking that we will perform our responsibilities diligently and to the best of our abilities to support the achievement of the agreed performance targets.

Vision

Our vision is "A leader in the provision of Technical, Vocational, and Entrepreneurial Training".

Mission

Our mission is to provide quality technical, vocational and entrepreneurship training (TVET) to empower graduates for individual development and global competitiveness.

) Key Management

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

Board of Governors
Accounting officer/Principal
Heads of departments

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
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(d) Fiduciary Management

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

Name	Responsibility
TOP MANAGEMENT	
Ann M. Mbogo	Chief Executive Officer/ Principal
Henry Kihara	Deputy Principal/ Administration
Grace Njuguna	Deputy Principal/Academic
Paul Ngure	Registrar
Samuel Gichuki	Dean
CPA. Odima Bahati	Finance Officer
ACADEMIC MANAGEMENT	
Mercy Muthoni	H O D Electrical
Isaac Mwiti	H O D Institutional Management
Leah W Chege	H O D I C T
David Githaiga	H O D Mechanical
John Gakinya	H O D Building
William Ndungu	H O D Mathematics
NON ACADEMIC	
Gibson Muthuri	ISO Management Representative
Robert Nicholas	Industrial Liaisons' Officer
Felix Olwese	Sports Office
Rosemary Njoki	Guidance & Counselling
CPA John Mutuku	Internal Auditor
Esther Kinyua	HR
Isaack Mukembu	Procurement Officer

(a) Fiduciary Oversight Arrangements

Name of the Committee	Members	Activities
Finance and Resource Mobilization	1.Mrs. Lydia Miano 2.Mr.Nelson Mwaura 3.Mr. Joseph N. Mwangi	<ul style="list-style-type: none"> ▪ Approve quarterly reports for onward submission to the full board ▪ Interview COG employees
Academics and Techn.	1.Dr George Okoth 2.Mrs Lorna Wambayi 3. Mr Charles Nyota	<ul style="list-style-type: none"> ▪ Receive, discuss and approve matters pertaining academics in the institution.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

Risk and Audit	<p>1.Mr. Kiptum Kibet Charles 2.Mrs. Lorna Wambayi 3.Dr. George Okoth</p>	<p>Receive discuss and approve audit report for onward ratification by full board Develop areas of improvement in risk and audit</p>
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KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(b) Entity Headquarters

P.O. Box 4-10202 Kangema
Murang'a County
Kangema Sub County
St. Marys - Iyego road off Karugia Shopping Centre

(c) Entity Contacts

Telephone :(+254)0725-912313
E-mail: michukitech@yahoo.com
Website: www.michukitech.co.ke

(d) Entity Bankers

i) Kenya Commercial Bank Ltd

Murang'a Branch
P.O BOX 112-10200
Murang'a Town

ii) Equity Bank Ltd

Kangema Branch
P.O BOX private bag-102020
Kangema Town

iii) Amica Savings & Credit

Kangema Branch
P.O BOX 816-10200
Kangema Town

Independent Auditors




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

Principal Legal Adviser


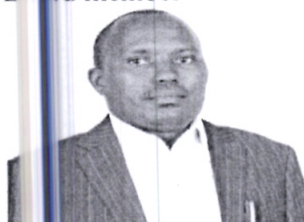


The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024


3. BOARD MEMBER

NAME	DETAILS
<p>1. Board of governor (chairman)</p>  <p>Mr. Benson N. Kamau Profession: Finance and Strategy Management</p>	<p>Date of birth: 19/12/1966 Academic Qualifications:</p> <ul style="list-style-type: none"> ▪ MBA- Finance, University of Nairobi ▪ BSC. First Class Honours, University of Nairobi ▪ Advanced Management Program, Strathmore University ▪ Chartered Accountant , United Kingdom <p>Work experience:</p> <ul style="list-style-type: none"> ▪ Audit Trainee to Supervisor Ernst & Young, UK and Kenya. ▪ Audit Manager- Lonrho Hotels Africa ▪ Financial Controller- Lonrho Motors ▪ Commercial Controller, Kenya Airways ▪ General Manager Finance & Strategy - Postal Corporation. ▪ Finance and Strategy - Director KTDA
<p>2. Board member</p>  <p>Mrs. Lydia Miano Profession: Economics</p>	<p>Date of birth:18/08/1965 Academic qualifications</p> <ul style="list-style-type: none"> ▪ Bachelor in Arts –Economic ▪ Certificate in Law-Baking ▪ Certificate in Loan appraisal and Credit Rating <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Branch Manager –I & M Bank LTD ▪ Credit Manager-Trust Bank ltd ▪ HR Officer-Trust Bank LTD ▪ Audit Assistant – Officer of controller and Auditor General
<p>3. Board member</p>  <p>Dr. Charles Kiptum Profession: Profession: Lecturer</p>	<p>Date of birth:12/12/1965 Academic Qualifications :</p> <ul style="list-style-type: none"> ▪ PHD Administration &Management ▪ MED Administration &Management ▪ BED ▪ Diploma (KEMI) <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Lecturer Chuka University ▪ Principal – Kisanana Boys, Sosiyo Sec School , Baringo High ▪ Part time lecturer Kisii University and Mt. Kenya University

KICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024




<p>4. Board member</p>  <p><u>Okoth George Odhiambo</u> Profession: ICT Informatics</p>	<p>Date of birth:03/03/1980 Academic Qualifications:</p> <ul style="list-style-type: none"> ▪ PHD (GIS & Remote Sensing) ▪ MSC(Health Informatics) ▪ BSC(Information Technology) ▪ Higher Diploma(Education) <p>Work experience:</p> <ul style="list-style-type: none"> ▪ Head of ICT department –Kenya Railways Corporation ▪ Senior Lecture –Laikipia University ▪ Lecturer Greatsa University ▪ QMS Auditor-Kenya Railways Corporation ▪ Risk Officer - Kenya Railways Corporation
<p>5. Board member</p>  <p><u>Joseph N. Mwangi</u> Profession: Lecturer(Adjunct) and ICT consultant</p>	<p>Date of birth: 06/08/1980 Academic Qualifications:</p> <ul style="list-style-type: none"> ▪ Msc.-Master in Computer Science ▪ Bsc -Computer Systems,. ▪ Diploma in Computer Science CCNA and A+ <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Adjunct Lecturer at MMU ▪ ICT consultant at Technical University of Kenya
<p>6. Board member</p>  <p><u>Nelson Mwaure</u> Profession: Architech</p>	<p>Date of birth:09/12/1979 Academic qualifications</p> <ul style="list-style-type: none"> ▪ Bachelor of Architecture(Hons),JKUAT ▪ Postgraduate Diploma- Project Planning and Management ▪ Certificate in Green Building –Kenya Association of Manufactures ▪ Certificate in Hospital Design-Pharm Access Fnd,2019 <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Operation Manager -GIBB Africa LTD ▪ Loadline Engineering Services , -Nairobi ▪ JKUAT- Tutorial Fellow Level ▪ Architech –Axis Architects LTD ▪ Architech -Maestro Architects LTD
<p>7. Board member</p>  <p><u>Lorna Abayi</u> Profession:</p>	<p>Date of birth:02/10/1988 Academic qualifications</p> <ul style="list-style-type: none"> ▪ Masters- Business Administration (Strategic Management and Marketing) - Kabarak University ▪ Bachelor of Commerce (Marketing)-JKUAT ▪ State House Girls-KCSE <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Samartcode Technologies -Head of Customer Service ▪ Tracom College –Finance and Administration ▪ MICAS Limited -Sales and Marketing Manager ▪ Part Time Lecturer-JKUAT ▪ Safaricom Retail Centre- Moi Avenue

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024




<p>8. Board member(CDTVET)</p>  <p><u>MR .CHARLES NYOTA</u> Profession: CDTVET</p>	<p>Date of birth:10/10/1970 Academic Qualifications: Masters in computer Science</p> <p>Work experience:</p> <ul style="list-style-type: none">▪ Quality Assurance office for 20years
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CHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

4.1 MANAGEMENT TEAM

<p>1. Chief Principal/ COG Secretary</p>  <p><u>ANN M.MCOGO</u> Profession: Trainer</p>	<p>Date of birth: 10/10/1972</p> <p>Qualifications :</p> <ul style="list-style-type: none"> ▪ BED. Home Science and Technology ▪ Post Graduate Diploma in Education Management ▪ Certificate in Senior Management ▪ Certificate in Strategic Leadership Development Program ▪ Certificate in Performance Contracting and Appraisal <p>Work experience :</p> <ul style="list-style-type: none"> ▪ Chief Principal – Kenya Coast National Polytechnic ▪ Principal – Kiirua TTI ▪ Principal – Chuka TTI ▪ Deputy Principal - Mukiria TTI ▪ Deputy Principal Jeremiah Nyaga TTI ▪ 25 years of experience as a TVET Trainer
<p>2. Deputy Principal Administration</p>  <p>Mr. Henry Kihara Profession: Trainer</p>	<p>Date of birth: 28/08/1978</p> <p>Academic Qualifications :</p> <ul style="list-style-type: none"> ▪ Bachelors of Education(Arts) ▪ Certified Public Accountant (K) <p>Work experience</p> <ul style="list-style-type: none"> ▪ Deputy Principal Administration – Laikipia West ▪ Registrar – Tetu TVC ▪ Registrar – MTTI ▪ PSC Trainer – MTTI
<p>3. Deputy Principal Academics</p>  <p><u>Grace Njuguna</u> Profession: Trainer</p>	<p>Date of birth: 21/08/1976</p> <p>Academic Qualifications :</p> <ul style="list-style-type: none"> ▪ BED -Home science and Technology-Moi University. ▪ Certificate in Senior Management – KSG <p>Work experience</p> <ul style="list-style-type: none"> ▪ PSC Trainer –MTTI ▪ HOD –I.M department, MTTI ▪ HOD –Nkabune TTI ▪ Examination officer –Nkabune TTI

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

<p>4. Dean of Students</p>  <p><u>Samuel Kahari Gichuki</u> Profession-Trainer</p>	<p>Date of birth: 27/06/1976 Academic qualifications : BTech -Computer Technology BBIT- Business Information Technology Diploma in Technical Education (Computing) Work experience</p> <ul style="list-style-type: none"> ▪ Trainer MTTI ▪ Instructor- Limuru Institute of I.T. ▪ Instructor-Wantech Computer College
<p>5.Registrar</p>  <p><u>Paul Ngure</u> Profession-Trainer</p>	<p>Date of birth: 27/01/1988 Academic qualifications :</p> <ul style="list-style-type: none"> ▪ Bsc-Elecrical & Electronics Engineering ▪ Bsc.-Telecommunication & Information Engineering ▪ Post Graduate –Diploma in Education <p>Work experience</p> <ul style="list-style-type: none"> ▪ PSC Trainer MTTI ▪ BOM Teacher-Nyagatugu Boys Sec.School. ▪ Intern-Kenya Power. ▪ Intern-KTDA(Kanyenya-ini Tea Factory)
<p>6.Finance Officer</p>  <p><u>CPA. Odima Bahati</u> Profession: Finance & Analyst, Trainer</p>	<p>Date of birth: 31/07/1992 Academic qualifications :</p> <ul style="list-style-type: none"> ▪ BCOM – Accounting Option ▪ CPA(K) – Accounting Option ▪ CIFA(K)-Finance & Investment Analysis ▪ Diploma in Technical Education-Accounting Option <p>Work experience</p> <ul style="list-style-type: none"> ▪ Financial Accountant –Trailink Group Ltd ▪ Senior Accountant-Compassion International ▪ Accountant-Excel Works and Engineering. ▪ Auditor-Ayuga and Associate CPA firm ▪ Trainer at Kabete National Polytechnic

CHAIRMAN'S STATEMENT

On behalf of the COG, management, staff and students of Michuki Technical Training Institute I would like to thank the government through the Cabinet Secretary Ministry of Education for giving me the opportunity to serve in this great institution. In the FY2023/2024 the following were achieved.

In the financial year 2023/2024 the board achieved the following-:

1. Constructed cabros in the graduation square and access pavement at a cost of Ksh 1,831,570
2. Constructed a new ablution block for the males students a total cost of Ksh 2,747,030
3. Acquired various sports items for the both athletics and ball games at total cost Ksh 498,733
4. Constructed studio and equip it with various equipment and learning tools for training Journalism and mass communication at a cost Ksh 3,942,976
5. Acquired and installed install CCTV Cameras and equipping of institution server room Ksh 806,450
6. Acquired 34 desktops for the ICT department for training of the students on ICT related fields total cost of Ksh 1,925,610.
7. There was increase in gross enrolment from 5,023 to 5,170 an increase of 3%
8. Installed firewall , LAN network for the institution data protection at total cost of Ksh 1,246,738
9. The institution organised a short course where a total of 88 students were trained on various skills
10. The management held (3) medical camps where screening and free consultation on HIV&AIDS, Non-Communicable diseases, and sensitization on COVID-19 for community, staff, and linees.
11. The management engaged in corporate social responsibility of carrying out a town clean up, distributing free tree seedlings and branded dust bins as a community sensitization on environment and climate change.
12. Forty nine youths were attached within the Institute as part of their training.
13. The Institute participated in the Mt Kenya region Athletics and MTTI attained position number 1 out of participating institutions where MTTI was awarded 14 medals ,18 were taken to regional and four trophies were awarded in Athletics.
14. Held a talent show in the institution where students showed their various talents.
15. The BOG executed its mandate while taking note of the Performance Contracting requirements i.e.
 - Implementation of Service delivery Charter
 - Asset Management
 - Youth internship /Industrial Attachment /Apprenticeships

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
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- Competence development
- National Values and Principle of Governance
- Road safety Mainstreaming
- Resolution of public complaints
- Gender mainstreaming

The board envisages continuing growing the institute and aim to:

1. Construct mechanical and building workshop
2. Construct tuition block
3. Construct water reservoirs
4. Install additional CCTV cameras for additional security
5. Increase acreage of the college
6. Carry out a tracer study on our graduates
7. Increase student enrolment to 8000 students in the next five years
8. Acquire National Polytechnic status

Whereas the institute made significant strides during the year, there were challenges especially funding for expansion to meet the growing trainees' population and the limited land area for the institute. The board continues to engage various stakeholders especially our National and county government for continued support. The board wishes to thank all the stakeholders for their support and humbly request that this continues into the future.

Signed by:



Mr. Benson N. Kamau
COG Chairman

REPORT OF THE PRINCIPAL

Michuki Technical Training Institute is a public tertiary institution that is well placed to offer quality and relevant training to her graduates, tailored to ensure they contribute effectively to the attainment of the country's Vision 2030 strategic objectives. To achieve this MTTI, offers competence Based Education and Training that's needed to actualize vision 2030 and the sustainable development goals in Kenya. MTTI is keen to achieve the presidential directives through spearheading Research and innovation in addition, the institute is committed to implement the bottom up Economic Transformation Agenda(BETA) manifesto especially on the youth employment through online Job under the "JITUME" Labs initiative.

In fulfillment of our mandate, we have committed ourselves to consistently and regularly review, improve and consolidate our academic programs so as to remain competitive in terms of quality and relevance, and address the needs of the society especially on the CBET programmes and dual training.

Under the guidance of the Board of Governors, we have set up structures and policies aimed at guiding the institution in the right strategic direction. We have been able to implement integrated management systems based on ISO 9001:2015 (QMS) and ISO/IEC 27001:2013 (ISMS). Furthermore, top management, process owners and process actors were trained on the transition to ISO 9001:2015 (QMS) and ISO/IEC 27001:2013.

Under the leadership and the overall direction of the Institute's Board, we were able to ensure that financial resources were prudently utilized for optimum result. Despite the many challenges brought about by economic constraints and the delays in the release of the funds by the MOE the Institute nevertheless continued to discharge its mandate of training, research and outreach programme as outlined under its core mandate. During the financial year under report a total of 1,643 students graduated with various certificate awards from Artisan to Diploma in various cadres

The institution had a student population of 5,170 and 173 members of staff of which 4 were casual at the end of the financial year which constitute 43 PSC staffs and 123 COG staffs.

The challenges experienced by the Institution

i) 4th quarter capitation was not received and this affected the institution operations more so the intended projects and training material for the trainees translating to Ksh 29.3M undisbursed funds by MOE.

ii) Capitation for QT 1, QT2 and QT 3 were capped at Ksh 3,500, 3,500 and 4,000 instead of Ksh 7,500 respectively translating to Ksh 44.9M undisbursed funds by MOE which affected continuous improvement of the institution facilities.

- iii) Some of the resource mobilization initiative have not been generated as much revenue as was anticipated. This resulted to shortfall in funding especially on partnership in research and development both national and internationally
- iv) Inadequate land acreage for the expansion of the institution infrastructures this limited the growth of the institution but county government of Murang'a they have supported us to establish campuses like Rwathia TVC to enable expand on our enrolment.
- v) Inadequate internet connectivity due to geographical location has derailed us to provide online curriculum for some of the courses.

Risk Management

The institution has put in place a robust risk management strategy. This involves a quarterly review of the risks the institution faces and developing mechanisms to mitigate them. Furthermore the institution has been consistently conducting quarterly internal audit through internal audit department and the findings are submitted to the board governor for discussion and ratification for better management of the institution. In addition, the institution has ensured a strict adherence to statutory requirements and the lay downs procedures such as PFM Act, TVET Act and Mwongozo guidelines.

Future Development

- i) To operationalize open and distance learning (ODEl) to build capacity and facilitate enrolment of more students.
- ii) Emphasis on the Green Environment Concept so as to incorporate environmental sustainability and efficiency. In addition there will be greater effort in building the capacity of its human resource so as to achieve a sustainable future through training, research, innovation and community outreach.
- iii) To construct engineering complex building to host mechanical and building trainees as this will enable conducive serene environment for training, research and development.
- iv) To Source green energy so as to promote green environment.
- v) To establish linkages with research institutes to conduct joint research in various engineering fields.
- vi) To increase Internet bandwidth from 100MBPS to 500 MBPS.

Highlights of FY 2023/2024 performance

The financial Year 2023/2024 started when the country was undergoing robust changes in the education sector through presidential directives on the reforms in the education department. This led to introduction of the new funding model that places trainees on various bands from band 1 to band 5 depending on the poverty level and the status of the guardians or parents ability to pay the school fees. Indeed the new funding model is crucial as it really impact training of the students through adequate financing of the training material for the trainees. The revenue of the institution grew by 3 % from -8% in the comparative financial year.

Projects Undertaken

During the Financial Year under review:-

- ❖ Construction of Ablution block for the Female student at Kshs 5,345,769
- ❖ Construction of Ablution block for the visitors at the main institution entrance at Ksh 1,651,930
- ❖ Continued equipping of the institution workshop.
- ❖ Installation of the firewall for the data and information protection for the institution.

In our contribution to the bottom up economy plan we held short term course for the community where a total of 622 were equip with hand on skill in order to make them be self-reliance in line with the Micro, Small and Medium Enterprise (MSME) economy. Management held to medical camps in order to support of Health Care where we offered screening and sensitization on Non-Communicable Diseases (cancer, BMI, Blood Pressure) and HIV/AIDS. Furthermore, to realise food security management has introduced agricultural courses that will equip the trainees with the new modern farming methodology.

I believe that our graduates undergo the best training that equips them with the necessary skills that strategically aligns them with opportunities within the country, regionally and globally; while at the same time contributing to the realization of the bottom up economy agenda. That is (Agriculture, Micro, Small and Medium Enterprise (MSME), Housing and Settlement, Healthcare and Digital Superhighway and Creative Economy).

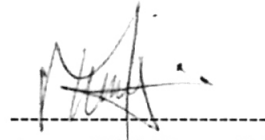
On behalf of the Institute Board of Governor and the top management, I take this opportunity to thank the Government for its unequivocal support during the year under review. I also appreciate the financial material and moral support of stakeholders, collaborators, partners and friends during the year. It is because of the understanding and guidance of the Chairman of the Board as well as the cooperation of the Management team, all staff and our trainees that we ended the year within an environment of peace and stability. I wish to register my sincere gratitude to them all.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
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On behalf of Michuki Technical Training Institute and staff, I wish to take this opportunity to thank the government, our development partners and all the stakeholders for their continued support.

Finally, I would like to express my sincere gratitude to the Board of Management for approving various institution policy and strategic guidelines; the entire Institution staff and students community who worked conscientiously to ensure smooth and successful operations of the Institution.

Signed by



Anne. M. Mbogo (Mrs)
Chief Principal/ Council Sec.

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.

Michuki Technical Training Institute has 6 strategic pillars and objectives within the reviewed strategic plan for FY2023-2024.

The strategic pillars and objectives within the reviewed strategic plan for FY2023-2024 are as follows:

Strategic Pillar	Objective (s)	Key Performance Indicators	Strategies / Activities	Achievements
Governance	Improve on operational efficiency	Certification of IMS based on ISO9001:2015 and ISO27001:2013	Integrate implementation of management systems based on ISO9001:2015 and ISO27001:2013	IMS procedure Manual
		IMS Manual	Documentation of the IMS Manual	IMS procedures Manual
		Number of trained staff	Training of Trainers	40 auditors were trained on IMS – on 2 nd -7 th October 2023
		Program List of attendance	Staff awareness creation and launch of the IMS based on ISO9001: 2015 and ISO/IEC 27001:2013	Launch done on 2 nd October 2021
		No of internal audits and surveillance audits held	Execution of internal	1 external audit held on 27 th -29 th November.2023(KEBS)
Access and Equity	Expand the physical infrastructure	Infrastructure	Completion of internal access road	Completed the construction of internal access road
			Completion of ablution block	- Completed the construction of ablution block
			Renovation of Muthaiga Hostel	- Completed in FY2023-2024
			Tiling of electrical workshop	- Completed in FY2023-

				2024
			Re-design of customer care centre	- To be completed in FY2024-2025
			Construction of Tuition block	- To be completed in FY2024-2025
			Laying cabros from Gate A to B	- Completed in FY2024-2025
	To increase students enrolment	- Occupational standards - Request letters - List of students admitted.	Introduction of new courses	- Analytical Chemistry - Data Management & Analytics - Computer Programming - Concrete Construction - Masonry - Housekeeping and Accommodation - Welding & Fabrication - Digital journalism
			Conduct a graduation	Done in 2023/2024
	To enhance customer service delivery	Reviewed Service delivery charter	Review and effectively implement the service delivery charter	To be reviewed in 2024/2025
	To improve students' academic performance		Equipping of the electronic workshop and the labs	Equipping continuously done
Resources	Deploy technology in fees collection		To integrate ERP system with student registration number	Completed in FY 2023/2024
	To enhance library services		Install an anti-theft system in the library	For FY2024/2025
	To maintain a motivated workforce	Reviewed Scheme of service	Scheme of service for COG staff	For FY 2023/2024
		Reviewed Human Resource Procedure	Human Resource Policy and Procedure Manual	The policy to be reviewed in FY 2025/2026

		Manual		
ICT	Enhance process automation	MIS library module	Procure MIS module for	ERP implemented
			Improve internet bandwidth from 60mbps to 100mbps	Increased to 100mbps
	Integrate ICT in training		Purchase additional LCD projectors	Acquired
			Purchase additional Desktop	Acquired 48 desktop
Research and Development	Institutionalize Effective Research and Development	Appointment letters	Appointment of the R&D committee members	The R&D committee appointed
		Invitation Letter Attendance List Report\patented Projects	Participation in exhibitions and trade fairs	Participated in Mt. Kenya Regional TVET fair held Qualified for National TVET fair Trained RD committee members
Collaboration and linkages	To enhance collaborations and linkages	C&L policy	Develop the C&L policy Collaborations with industries.	Dual Training Partnership i.e. GIZ

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8. CORPORATE GOVERNANCE STATEMENT

During FY 2023/2024, there was 64% eligible attendance at all meetings of the Board on average.

The following table shows the number of meetings held during 2023/2024, the attendance of each Member;

Name	14 th July 202 3	18 th July 2023	11 th Oct 2023	17 th Oct 202 3	19 th Oct 202 3	17 th Jan. 202 4	18 th Jan. 202 4	03 rd Apr 202 4	4 th Apr 202 4	8 th Apr 202 4	9 th Apr 202 4	06 th Jun 202 4	13 th Jun 202 4	29 th Jun 202 4	Total meeti ngs
Mr Benson Kamau-		✓			✓		✓					✓	✓	✓	6
Mrs Lydia Miano	✓	✓	✓		✓		✓				✓	✓	✓	✓	9
Nelson Mwaura	✓	✓	✓		✓		✓				✓	✓	✓	✓	9
Lorna Wabayi	✓	✓			✓	✓	✓		✓	✓		✓	✓	✓	10
Dr.Kiptum Kibet Charles (Member)		✓			✓		✓			✓		✓	✓	✓	7
George Okoth(Member)	✓	✓			✓	✓	✓		✓			✓	✓	✓	9
Joseph N Mwangi (Member)	✓	✓	✓		✓	✓	✓				✓	✓	✓	✓	10
Charles Nyota(TV ET Director)	✓	✓			✓		✓		✓			✓	✓	✓	8

NOTE

- 1) There 6 full board meetings
- 2) Board charter exists at the moment.
- 3) Succession plan is after 3 years.
- 4) There was board succession in the month of May 2023

On Board of Governors appointment and tenure of office, removal, the process starts from:-

- 1) Establishing the expiry of the current Board of office (6 months before its term of office comes to an end.
- 2) Then a committee is constituted to nominate a new BOG. This panel is chaired by the County Director TVET. Other members to the nomination panel are:-
 - (i) Principal
 - (ii) County Commissioner to represent GOK.
 - (iii) Sponsor incase the Institution is sponsor.
 - (iv) The Area M.P or his Representative.

The above committee nominates a maximum of 21 members, 3 per category as prescribed in the area of specialization and then the list is sent to the Ministry for verification and appointment of a BOG. The BOG is normally appointed for a term of 3 years, after which to ensure continuity of the Institutional memory 1/3 of the past members are retained.

REMOVAL OF BOG MEMBER/MEMBERS

A Board member may be removed for the following reasons:-

- (1) Failing to attend 3 consecutive meetings without a valid reason.
- (2) Major conflict of Interest
- (3) Resigning his resignation to the appointing authority.
- (4) Failing to take up his position as an appointed COG.
- (5) Being declared Bankrupt by a Court of law.

RULES AND FUNCTION OF BOARD MEMBER

The Board of Governors is normally appointed for a term of 3 years after which the Board expires. However, in constituting a new BOG a 1/3 of the members are retained for the sole purpose of Institutional memory.

The role and function of the Board members are therefore:-

- 1) Attend to all scheduled BOG meetings.
- 2) Discuss and formulate institutional policies on staff recruitment and promotion.
- 3) Identify in consultation with the Principal the recruitment of all PSC trainers and BOG employees and therefore recruit them.
- 4) Primarily recommend for interdiction of non performing PSC & BOG Employees.
- 5) Formulate policies on revenue generation, utility and account for it to the Public through the Auditor General.
- 6) Work with all relevant ministries, agents and stakeholders to promote the importing of relevant technological skills.
- 7) Work with industries for the purpose of attaching the students.
- 8) Maintaining proper inventory of its property and assets through a Register/inventory.
- 9) Performing supervision role or oversight role on the management of the Institution and advising appropriately.
- 10) Maintaining a motivated workforce as well as a secure environment to work in.

INDUCTION OF THE BOARD MEMBERS

Once BOG has been appointed, it's the responsibility of the Principal to liaise with the County Director and the Ministry to ensure that the BOG is inaugurated and inducted on its core mandate. In conjunction with the Principal and the Ministry, the Board is supposed to be trained on the current trends in the training, Industry to make it relevant and vibrant.

BOARD MEMBERS REMUNERATION

The Council members are paid some sitting allowances and other allowances depending on the strength or financial ability of the Institution to sustain the payments. It's purely based on realistic and affordable rates.

The payments also vary from Institution to another base on their financial resources.

9. MANAGEMENT DISCUSSION AND ANALYSIS

SECTION A

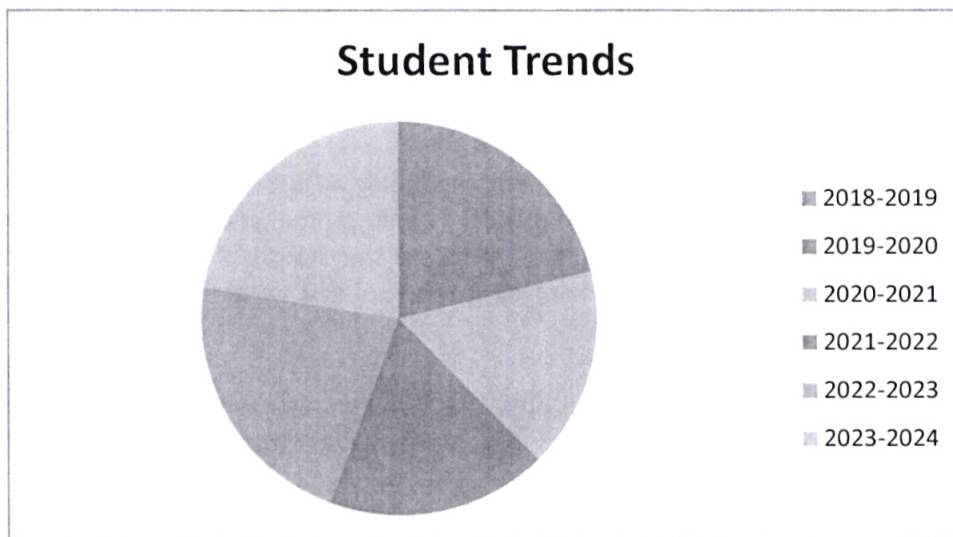
Michuki Technical Training Institute operational and financial performance

Michuki Technical Training Institute reported a surplus of Kshs **34M** as at 30TH June 2024. The performance recorded is as a result of new funding model that was introduced by the government which has increase funding of the activities of the TVET institution. The institute aimed to improve its cash flow further as we anticipate more students to enrol in technical training courses furthermore the institute is in top gear of establishing and fully implementing new IGAS to co-op water and your hut production in the institution. With the IGAs in place they will further our base of funding of projected marked for the expansion of the institution infrastructure for the serene and conducive learning of the trainees.

Pertaining to trends within the Education sector, University, Tertiary and secondary school sponsor, guardians have been lifted from the burden of high school fees payment as the government has categorised fees payment in bands which leave households with minimum fees payment to pay which again the trainees access the balances through HELB.

As a key driver to the attainment of the bottom up economy, MTTI has adopted and implemented CBET courses that are streamlined to address the mismatch between industry and the needs of the economy; and training for job creation for global competitiveness. The Institute has developed world class infrastructure and facilities and strives to improve so as to provide quality technical education. Moreover, the institute is implementing resource mobilization strategies' so as to enhance its A.I.A

During the year ended June 2024, the Institution had **5,170** students compared to **5,023** in year 2022-2023 which is 3% up wards move. The increased number of students resulted in improved revenue. Enrolment for the institute is as below:



MTTI is experiencing tremendous growth and the management is vigorously pursuing additional funding and technical support from Government agencies and development partners. In the Institution level,

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program based budgeting is effective as financial control. This serves to ensure that the Institution allocates resources based on planned and prioritized activity. This means that the cost of each activity will be traced to the product or service as per the Institution plan. To further enhance service delivery through effective financial management, the Institute will concentrate on eliminating wastages.

In this regard, the Institution will lobby and mobilize financial resources for Technical Training, innovation and creativity.

i. Government Funding

During the financial year 2023-2024, the operations of the institution both current and development were done effectively although the fourth quarter was not received as at 30th June 2024 and a reduction of preceding capital release for the financial year.

ii. Student fees

Management has installed robust internal control for the fees collection and this has tightened fees collection. Furthermore, institution was able to operate smoothly in its core mandate as well paying its supply on time and meeting its current obligation in time.

MANAGEMENT DISCUSSION AND ANALYSIS(Continued)

GENERAL ADMINISTRATION RISKS						
TOP MANAGEMENT						
Risk No.	Name Of The Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
1. 1	Funding risks	3	4	12	<ul style="list-style-type: none"> ➤ Enhance fees collection ➤ Income generating project ➤ HELB/NGCDF funding 	Principal, Registrar, Dean of Students Finance Officer
2. 2	Loss of funds	4	4	16	<ul style="list-style-type: none"> ➤ Use of biometric ➤ Exam cards ➤ Class attendance register ➤ Use of approved budget 	Principal, FO PO HOD
3.	Political risk	3	4	12	<ul style="list-style-type: none"> ➤ Consultative meeting ➤ Recruitment on regional balance ➤ Engage them on projects 	Principal, HR, FO, Building committee
4.	Reputational Risk	4	4	16	<ul style="list-style-type: none"> ➤ Quality Assurance (External results) ➤ Maintain of discipline ➤ Relationship with media ➤ 	Principal, HoDs,QA Internal Auditor
5.	Litigation Risk	3	4	12	<ul style="list-style-type: none"> ➤ Comply to regulatory and statutory rules ➤ Use of qualified personnel ➤ Use of established mechanism 	Principal, Finance Officer HoDs, Legal experts
INTERNAL AUDIT						
OBJECTIVE: To ensure that organization risk management, governance and internal control processes are operating effectively						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
6.	Weak organization controls	3	4	12	<ul style="list-style-type: none"> ➤ Designing tests to obtain reasonable assurance that controls are operating effectively 	Internal auditor

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7.	Failure to detect misstatements	2	2	4	➤ Designing tests to obtain more evidence based on risk analysis	Internal auditor
8.	Inherent	4	5		audit	Internal auditor
9.	Noncompliance with statutory and regulatory requirements	5	5	25	➤ Continuous Professional Development ➤ Aligning & adhering to statutory and regulatory requirements	Internal auditor
HUMAN RESOURCE RISKS.						
OBJECTIVE: TO PLAN, ORGANISE, CONTROL, CO-ORDINATE AND DIRECT ACTIVITIES AND ACTIONS OF EMPLOYEES.						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
10.	Ineffective recruitment and retention strategies	3	4	12	➤ Sound recruitment policy ➤ Skills development strategies. ➤ Staff reward and motivation incentives	HR
11.	Inadequate Training and development	3	4	12	➤ Engage an external Training Needs Assessment consultant ➤ Incorporate skills development into regular performance appraisal process ➤ Encourage learning and organize for staff to learn and develop in their skills. ➤ Provide opportunities for growth through training and skills development	HR
	De-motivated workforce leading to high staff turnovers Reduced productivity High turnover rate Non achievement of organizational goals	4	4	16	➤ Keep compensation and benefits packages as simple and fair. ➤ Build employee reward programs. ➤ Avoid staff discrimination and ensure compensation is based on performance and contribution to the business goal.	HR

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12.	Non-compliance of Employment statutory regulatory requirements	2	1	2	<ul style="list-style-type: none"> ➤ Sound internal and external legal advice ➤ HR processes and procedures in place ➤ Compliance of the occupational health and safety act ➤ Ensure safe workplace area. ➤ Ensure proper working procedures 	HR
13.	Data and information insecurity due to: malware, power failure and cyber attack	1	4	4	<ul style="list-style-type: none"> ➤ Acquire UPS ➤ Regular Backup of payroll & personnel information ➤ Use of password ➤ Firewall 	HR/SA
14.	Poor Workplace culture	4	3	12	<ul style="list-style-type: none"> ➤ Adherence of the HR policies ➤ Code of conduct ➤ Sensitization of work place culture and diversity 	HR
<p>SECURITY OBJECTIVE: To ensure security of MICHUKI TECHNICAL TRAINING INSTITUTE is maintained at all times.</p>						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
15.	Theft of properties in the institute	4	4	16	<ul style="list-style-type: none"> ➤ CCTV surveillance ➤ Perimeter fence ➤ Hire and maintain security officers ➤ Where necessary put items under lock and key ➤ Burglar proof offices 	PRINCIPAL DP.ADMIN FINANCE OFFICER HODS
16.	Terrorists attack	3	5	15	<ul style="list-style-type: none"> ➤ Screening at the gate ➤ Security checks of persons and vehicles ➤ Use of biometric system ➤ Reporting of suspicious characters for interrogation 	PRINCIPAL DP.ADMIN HODS

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17.	Business disruption	4	5	20	<ul style="list-style-type: none"> ➤ In case of covid 19, adhere to MOH protocols, closure of institution. In 	PRINCIPAL DP. ADMIN HODS
					<ul style="list-style-type: none"> firefighting equipment and firefighting practices and fire drills. ➤ In case of strike, we involve government security personnel, closure of school and create awareness of consequences. ➤ In case of an epidemic, we collaborate with MOH 	
18.	Loss of Information security	4	4	16	<ul style="list-style-type: none"> ➤ Use clear screen and desk practice ➤ Use password on computers ➤ Use lockable cabinets ➤ Inculcate personal discipline 	PRINCIPAL DP. ADMIN HODS

TRANSPORT

OBJECTIVE: *To ensure transport management is carried out effectively and efficiently*

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
19.	Accident occurrence	3	4	12	<ul style="list-style-type: none"> ➤ Comprehensive insurance for all institute vehicles ➤ Capacity building to institute drivers 	PRINCIPAL HOD
20.	Non-compliance to NTSA rules and regulations	3	2	6	<ul style="list-style-type: none"> ➤ Adhere to NTSA rules and regulations ➤ Ensure work ticket are filled and signed appropriately 	HOD D/P ADMIN
21.	Malicious damage institute vehicles	3	4	12	<ul style="list-style-type: none"> ➤ Guard institute vehicles at all times ➤ Install CCTV in the institute vehicles vicinity 	PRINCIPAL HOD
22.	Deterioration of vehicle condition	4	2	8	<ul style="list-style-type: none"> ➤ Provide proper housing to all institute vehicles ➤ Designate parking for MTTI vehicles ➤ Maintain a schedule for vehicle maintenance 	PRINCIPAL DP. ADMIN

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23.	Vehicle breakdown	3	4	12	<ul style="list-style-type: none"> ➤ Maintenance of institute vehicles as per the schedule ➤ Collaborate with maintenance suppliers' for spare parts and emergency repairs. 	PRINCIPAL DP.ADMIN
HIRING OF INSTITUTE FACILITIES						
OBJECTIVE: To provide institute facilities for hire when required by customers						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
24.	Loss of customers	3	3	9	<ul style="list-style-type: none"> ➤ Do proper marketing ➤ Use competitive pricing on hired goods ➤ Assign personnel any time goods or services are hired to ensure safety and security of items. 	PRINCIPAL DP.ADMIN FINANCE OFFICER
25.	Theft of hired goods	3	4	12	<ul style="list-style-type: none"> ➤ Make a bidding contract with the customer, who will bear the consequences in case of theft. 	-PRINCIPAL -DP.ADMIN -FINANCE OFFICER -P.O
26.	Over use of hired goods	3	2	6	<ul style="list-style-type: none"> ➤ Make a bidding contract with the customer on duration of use and stipulate measures to recover by surcharging. 	-PRINCIPAL -DP.ADMIN -FINANCE OFFICER
FINANCE DEPARTMENT:						
OBJECTIVE: Ensure prudent management of institute's financial resources by 30th June 2024						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
27.	Delay in payment of supplies	2	2	4	<ul style="list-style-type: none"> -Segregation of duties -Ensure invoices are submitted upon delivery of good 	P.O F.O

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28.	Delay in payment of salary	2	2	4	-Ensure payment of salary is done before 3 RD of proceeding month	F.O
29.	Delay in submission of statutory deduction	1	1	1	is done as stipulated	
30.	Uncollected revenue	3	3	9	-Lobby with government bodies -Use of exam cards -Use of biometric -New admission upon 75%fee payment	F.O
31.	Intrusion into system	1	5	5	-Creation of user accounts -Use of password	FO System Admin
Deans office						
Objective: To effectively handle issues of students welfare in MICHUKI TECHNICAL TRAINING INSTITUTE						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
32.	Students unrest due to poor students' governance	3	3	9	➤ Training of leaders ➤ Free and fair election process(involve IEBC in students' elections)	Dean of students
33.	Negative reputation on the dean's office due lack of confidentiality	3	2	6	➤ implement access control policy ➤ Sensitize office staff on confidentially.	Dean of students
34.	Loss of revenue due to alteration of accommodation documents.	4	3	12	➤ Sensitize office staff on integrity ➤ Implement password policy	Dean of students
35.	Medical emergency occurring at night	4	5	20	➤ Sensitize the students on health issues ➤ train staff and students on basic first aid. ➤ have stand by driver handle emergencies at night	Dean of students
36.	Lack of cohesion among students	3	3	9	➤ Sensitization of students on national cohesion ➤ Intensify sporting activities	Dean of students

HOUSE KEEPER						
Objective: To provide clean, safe and comfortable environment effectively and efficiently to the student and staff of MTTI at all times.						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
37.	Outbreak of Fire in hostels	3	4	12	<ul style="list-style-type: none"> ➤ Regular service of fire-fighting equipment ➤ Conduct fire drills ➤ sensitize students on illegal electricity connections 	House keeper/ Security personnel /Principal
38.	Illegal accommodation of students in hostels	2	3	6	<ul style="list-style-type: none"> ➤ proper use of accommodation register to verify hostel occupants 	Dean of students/ House keeper Finance officer
39.	Chemical burns from cleaning agents	2	3	6	<ul style="list-style-type: none"> ➤ Train on proper use and handling of chemicals ➤ proper labeling of chemicals 	House keeper
40.	High cleaning staff turn over	3	3	9	<ul style="list-style-type: none"> ➤ Provide good working tools and equipment ➤ Provide good personal protective equipment ➤ conducive /good staff welfare 	House keeper HR
41.	Negative image (due to dirty floor and surfaces)	3	4	12	<ul style="list-style-type: none"> ➤ Duty allocation- ➤ Develop a time plan for cleaners ➤ Have a check list for supervision 	House keeper/Deputy principal Adm.
SPORTS AND RECREATION						
Objective: To identify and nature talented students in sports and games.						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
42.	Lose of sports equipment	2	2	4	<ul style="list-style-type: none"> ➤ Maintaining key registers ➤ Stores office under lock and key 	-Sports officer -P.O

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					always ➤ Lockable boxes	
					➤ Sensitization	
43.	Injuries during games	2	2	4	➤ Sensitization on safety during games	Sports officer
44.	Lack of playing fields	4	4	16	➤ Request for alternative playground ➤ Hire playgrounds when need arise	Sports officer DP ADMIN
45.	Incompetent coaches	4	4	16	➤ Capacity building of coaches through training ➤ Expose the coaches in practical aspects	Sports officer DP ADMIN
46.	In adequate sporting equipment	3	3	9	➤ Budget for acquisition of sports equipment ➤ Seek for partnership and sponsorship from stakeholders	Sports officer DP ADMIN

GUIDANCE AND COUNSELLING

OBJECTIVE: Provision of guidance and counseling services to students.

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
47.	Conflict of interest due to Dual relation	4	3	12	➤ Segregation of duties ➤ Scheduled counseling forum ➤ Peer counselors sensitization forum	G&C Coordinator
48.	Inadequate G&C skills	2	2	4	➤ Capacity building on trainers and peer counselors	G&C coordinator
49.	Inadequate funding	3	3	9	➤ Adequate budget	Principal
50.	Unauthorized access to confidential information	1	4	4	➤ Coding of clients ➤ Key management	G&C Coordinator
51.	Inadequate funding	3	3	9	➤ Adequate budget	Principal Finance Officer

ICT SUPPORT

OBJECTIVE: To support effective ICT operations within the institute.

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Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
52.	Attack by malware such as computer viruses, worm	3	3	9	<ul style="list-style-type: none"> ➤ Install updated antivirus ➤ Limit software installation to ICT personnel only 	HOD ICT Support ICT Technician
53.	Loss of departmental data.	4	2	8	<ul style="list-style-type: none"> ➤ Backup of critical data ➤ Controlled access to server/ main office computers. ➤ Use of firewall 	HOD ICT Support ICT Technician
54.	Unauthorized access to the institute systems	4	3	12	<ul style="list-style-type: none"> ➤ Use of username and password for all users accounts ➤ Train user on how to safe guide critical login data ➤ Use of firewall 	HOD ICT Support ICT Technician System end Users
55.	Out-dated software's and hardware's	2	4	8	<ul style="list-style-type: none"> ➤ Continues upgrading of software/ hardware 	HOD ICT support Principal
56.	Computer damage due to human/ electrical problems.	3	3	9	<ul style="list-style-type: none"> Proper cabling of computing devices Use of power guards and surge protectors Use backup battery for server computer Limit hardware repair to ICT personnel only. Repair and maintenance schedule per term for all computing devices 	HOD ICT Support ICT Technician
PROCUREMENT						
OBJECTIVE: Ensure that procurement of public goods and services is done as per the compliance laws and regulation and also in accordance with a system which is fair, competitive, transparent, equitable and cost effective.						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility

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57.	Delay in timely provision of essential services due to late supplies	2	3	6	Timely approval	P.O FINANCE
58.	Substandard or poor quality services	2	3	6	Inspection and acceptance committee put in place project supervision Supplier reviews	PRINCIPAL P.O
59.	Compliance risk	2	3	6	Adherence to laws and regulation in procurement	PRINCIPAL P.O F.O
60.	Overstatement or understatement of the need	3	3	6	Preparation of proper budgeting	H.O.D'S
61.	Lack of procurement plan	1	5	5	Preparation of proper procurement plan	H.O.D'S P.O FINANCE OFFICER

ISO

OBJECTIVE: To ensure that organization risk management, governance and internal control processes are operating effectively

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
62.	IMS non-compliance due to inadequate understanding of requirements by new staff	4	3	12	QMS as an agenda at departmental meetings Induction of new staff on QMS by HODs.	MR
63.	Non adherence to the audit programme	2	2	4	Circulation of the programme at the beginning of the year Support by the Top management	MR
64.	Failure to maintain ISO certification	3	3	9	Documented processes Monitoring and evaluation Internal audits Management reviews	MR

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					Payments for requisite fees Liaising with certification COGy	
DEPUTY PRINCIPAL ACADEMICS						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
65.	Poor lecture attendance by trainers	3	4	12	Enhance on trainers' daily attendance register. Enhance use of lecture attendance forms Enhance monitoring through spot checks	DPAA Academic HODS Class Reps
66.	Constant changes in the institutional timetable	4	2	8	Timely replacement& recruitment of trainers Properly prepared and validated workload. Appoint and train adequate timetablers	DPAA HOD'S HR
67.	Delay in recruitment of trainers	4	4	16	Enhance timely requisition of trainers. Enforce early recruitment. Maintain a data base for potential trainers	HOD HR
68.	Unauthorized interference with the institutional timetable	3	4	12	Enhance use of password policy to limit unauthorized access. Have lockable timetable noticeboards.	DPAA
69.	Failure to achieve the set performance target.	3	4	12	Enhance monitoring Follow up on exam analysis recommendations Conduct regular Academic meetings. Introduction of Departmental Academic Excellence trophy.	DPAA
MATHEMATICS AND SCIENCE DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility

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70.	Failure of Math's trainers to attend to their duties on time	3	3	9	Monitoring lecturer attendance register Make-up lessons	HOD Maths
					department meetings Make up lessons Escalating the matter if it persists	
71.	Failure/truancy of trainees to attend lectures	3	3	9	Conduct roll calls for every lesson Sensitization on the effects of absenteeism	HOD Maths
72.	Unauthorized access to departmental sensitive printed and electronic data	4	2	8	Lockable cabinets Change password on departmental computer Sensitize the department staff on password policy	HOD Maths System admin
73.	Inadequate training resources e.g. department laptop, backup gadgets	2	4	8	Requisition of the gadgets and teaching materials	HOD Maths
74.	Ineffectiveness of trainers due to teaching overload	3	4	12	Request for adequate trainers	Principal HOD Maths

LIBERAL STUDIES

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
75.	Failure of teaching staff to attend to their duties	3	3	9	Monitoring lecturer attendance Sensitizing and addressing concerns in meetings Make up lessons Escalating the matter if it persists	HOD Liberal
76.	Failure of students to attend classes	3	3	9	Roll calls every lesson Sensitization on the effects of absenteeism	HOD Liberal Trainers
77.	Unauthorized access to sensitive unlikely and electronic data	4	2	8	Lockable cabinets Password on departmental computer Sensitize office staff	HOD Liberal System admin

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78.	Inadequate resources e.g. laptop when needed.	2	4	8	Using available resources e.g. phone Requisition of the gadgets	Head of Department Trainers
79.	Ineffectiveness of trainers due to burnout	3	4	12	Request for staff	Head of Department
BUSINESS DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
80.	Low enrollment	2	2	4	-Marketing Of departmental courses	-Process owner -Members/ Trainers
81.	Poor Performance	2	2	4	-Timely Syllabus coverage	-Process owner -Members/ Trainers
82.	Drop out Cases	3	3	9	-Counseling -Class attendance register	-Process owner -Class teachers -Members/ Trainers
83.	Trainee Indiscipline	2	2	4	-Counseling -Institution's Rules and regulations	-Process owner -Class teachers -Members/ Trainers
84.	Absenteeism By trainers	3	3	9	-Class attendance register -Teaching monitoring reports	-Process owner -Dps -Principal
ELECTRICAL DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
85.	Electric shock & burns from	5	4	20	Covering of naked wires Earthing all metallic parts	H.O.D

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	contact with live wire					
	electrical equipment's				Posters Use of PPEs	
87.	Loss of tools and materials	4	4	16	CCTV REGISTERS TAGGING OF TOOLS	H.O.D Trainers
88.	Poor performance.	3	4	12	-Syllabus coverage -Sensitizing trainers On attendance -Lobbying for trainers.	HOD trainers
89.	Trainers indiscipline	3	4	12	-Rules and regulation. Attendance register Counseling.	HOD trainers
INSTITUTIONAL MANAGEMENT DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
90.	Poor performance due to trainee absenteeism & truancy	4	4	16	➤ Sensitization ➤ class registers ➤ lesson attendance registers ➤ Disciplinary Actions register.	H.O.D INSTITUTION AL MGT
91.	Poor performance due to high turnover of B.O.G Staff.	3	3	9	➤ Induction, ➤ Team teaching, ➤ Motivation, ➤ Improved working environment,	H.O.D INSTITUTION AL MGT
92.	Theft of workshop equipment	4	3	12	➤ Tagging of equipment ➤ Issuance register ➤ Access control ➤ Induction a technicians	H.O.D INSTITUTION AL MGT
93.	Injury during training	2	2	4	➤ Sensitization meetings, ➤ Workshop safety precautions, ➤ Provision of first aid kit	H.O.D INSTITUTION AL MGT

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94.	Destruction of property due to Fire Outbreaks	4	2	8	<ul style="list-style-type: none"> ➤ Sensitization meetings, Install firefighting equipment, ➤ Carry out fire drills. 	H.O.D INSTITUTIONAL MGT
ICT DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
95.	Inadequate teaching staff	3	3	9	-Requisition of additional trainers -Online teaching	-H.O.D
96.	Class Attendance Absenteeism	3	3	9	-Class attendance Register -Sensitization meetings	H.O.D
97.	Assessment Absenteeism	3	3	9	-Awareness --Sensitization meetings	H.O.D
98.	Late preparation/submissions of teaching documents	3	3	9	-Effective communication --Sensitization meetings	H.O.D
99.	Low enrolment	3	3	9	-Marketing -Publicity	H.O.D
BUILDING DEPARTMENT						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
100	Unattended classes	3	3	9	<ul style="list-style-type: none"> ➤ Monitoring lecturer attendance register ➤ Close monitoring of lectures attendance 	HOD
101	Inadequate skills in some trainers	2	2	4	➤ Capacity building sessions for trainers	HOD
102	Inadequate staff(trainers)	3	3	9	➤ Lobbying for more trainers	HOD System admin
103	Pilferage in the workshops	3	3	9	<ul style="list-style-type: none"> ➤ Install surveillance cameras ➤ Additional technician 	HOD

					➤ Surcharging the culprits	
	equipment in the workshop				when in the workshop ➤ Lobbying for more learning equipment	
ODeL						
OBJECTIVE: Evaluation of the curriculum						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
105	Unavailability of standard online content	3	3	9	➤ Motivation to content developers ➤ Ensure adherence to TVET ODeL standard ➤ Moderate/approve online content	-H.O.D - ODeLcommittee
106	Low uptake of on online classes	2	2	4	➤ Creation of awareness ➤ Training	H.O.D
107	Absenteeism for residential sessions	3	3	9	➤ Induction of trainees at the start of the programme ➤ Effective communication	H.O.D
108	Non adherence to timelines in online submission for assignment	3	3	9	➤ Control in the LMS platforms ➤ Induction of trainees at the start of the programme ➤ Effective communication	H.O.D
109	Plagiarism of content	3	3	9	➤ Use of anti-plagiarism software ➤ Encourage use of open education resources	H.O.D
EXAMINATION OFFICE						
OBJECTIVE: Evaluation of the curriculum						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
110	Exams malpractice	3	3	9	➤ Invigilation ➤ Structural Arrangements in the	• Principal • Examinatio

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					<ul style="list-style-type: none"> ➤ Exams Rooms ➤ Punishing the Offenders ➤ Enough Revision ➤ Adequate Syllabus Coverage ➤ Training in Ethics and Integrity ➤ Holding Rehearsal Days 	<ul style="list-style-type: none"> • ns Officer • Supervisors • Invigilators
111	Invigilator does not turn-up or lack of invigilator	4	3	12	<ul style="list-style-type: none"> ➤ Automate Timetabling of Internal Exams ➤ Create Invigilator Timetables ➤ Employ Emergency Invigilator(s) ➤ Examinations Office to Cover ➤ Discipline the Offenders 	<ul style="list-style-type: none"> • Principal • Examinations Officer
112	Wrong registration of candidates for national examinations	2	3	6	<ul style="list-style-type: none"> ➤ Candidates Signs the Nominal Roll after Verifying the Correctness of their Registration Details ➤ Candidates Write Exams as Under – Protest ➤ Write an Official Letter to KNEC informing them of the Wrong Registration ➤ Candidates indicate their Course and Module on The KNEC Result Slip Being Used For Registration 	<ul style="list-style-type: none"> • Principal • Examinations Officer • Academic HODs
113	Receiving inaccurate entry of information and non-adherence to examinations timelines	4	3	12	<ul style="list-style-type: none"> ➤ Subject Teachers/HODS ensure Entry Check-Lists are Correct and are submitted on Time. ➤ Discipline The Offenders 	<ul style="list-style-type: none"> • Principal • Examinations Officer • Academic HODs
114	Access of exam information by unauthorized users	3	2	6	<ul style="list-style-type: none"> ➤ Acquire enough door keys for every Authorized User ➤ Create Passwords when Booting Computers 	<ul style="list-style-type: none"> • Principal • Examinations Officer

					➤ Create Passwords on every Folder/File created	
					Sheets as is Appropriate	
INDUSTRIAL LIAISON OFFICE						
OBJECTIVE: To ensure quality training through industrial attachment.						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
115	Lack of placements for trainees.	3	3	9	<ul style="list-style-type: none"> ➤ Collaboration with industries ➤ Create awareness ➤ Database for industrial contacts 	ILO
116	Failure to assess some students on attachment.	3	3	9	<ul style="list-style-type: none"> ➤ Sensitization of trainees 	ILO
117	Indiscipline of students on attachment.	3	2	6	<ul style="list-style-type: none"> ➤ Sensitization of students ➤ Introduce commitment form 	ILO
118	Accidents on the trainees while on attachment.	2	2	4	<ul style="list-style-type: none"> ➤ Awareness on safety precautions ➤ Provide insurance covers to trainees 	
119	Unauthorized access for office files (hard copies of information).	2	2	4	<ul style="list-style-type: none"> ➤ Provide lockable door ➤ Provide lockable cabinets ➤ Clear the desk, clear the screen 	
LIBRARY.						
OBJECTIVE: To ensure access of quality and up-to-date academic course and reference materials in the institute						
Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility

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120	Theft of library materials	4	3	12	<ul style="list-style-type: none"> ➤ Installation of CCTV Cameras ➤ Installation of security systems ➤ User sensitization ➤ Stamping 	Librarian FO
121	Wearing and tearing of library materials	2	2	4	<ul style="list-style-type: none"> ➤ Putting book covers ➤ Maintain cleanliness ➤ Dusting 	Librarian
122	Obsolete materials	2	2	4	<ul style="list-style-type: none"> ➤ Frequent acquiring of materials ➤ Use of E-Books 	Librarian HODs
123	Misplacing/Mis-shelving of library materials	2	2	4	<ul style="list-style-type: none"> ➤ Proper shelving ➤ Proper marking of shelves 	Librarian
124	Mutilation of library materials	3	2	6	<ul style="list-style-type: none"> ➤ Fine the offenders ➤ Replacement of book if badly mutilated ➤ User sensitization 	Librarian

QUALITY ASSURANCE

Risk No.	Name of the Risk	Likelihood	Consequences	Weight/ Risk Level	Mitigation Control	Responsibility
125	Carrying out audits	4	2	8	<ul style="list-style-type: none"> ➤ Control register attendance ➤ Copy of audited tool ➤ Circulars ➤ Memos 	Principal,QA
126	Lateness of the trainers and support staff on work	4	2	8	<ul style="list-style-type: none"> ➤ Clock in register ➤ Regular spot checks 	Principal HR

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					➤ Biometric entrance	QA
					➤ Audit reports	QA
128	Capacity building of DIQAR	3	2	6	➤ Request from the Principal	Principal QA
129	Registration of trainers	5	3	15	➤ Register with TVETA ➤ HR policy ➤ Staff meeting	Principal QA

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

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

a. Sustainability strategy and profile -

The triple Bottom Line concepts analyses the sustainability of an organization based on three concepts: Profits, people (social) and Planet (environment).

Profit: The institute has benefited greatly through the financial Support received from national government through NGCDF, NGAAF, HELB, grants and capitation. This has led to improved and expanded infrastructure thus resulting in increased student enrolment.

Social: Devolution system of Government has contributed to the increased demand for skills at the county level hence increased student enrolment. This has been necessitated with the subside and standardised fees structure and this has impacted the community around the institution.

Environment: The Board of governance has plans to undertake an environmental sustainability audit and develop an environmental policy to address the issues of environmental sustainability that will be identified during the audit as this will improve the image of the TVET institution at glance.

Category	Issue(s)	Description of effect	Action to mitigate
Political	Favourable Political situation	<ul style="list-style-type: none"> ➤ Increased student enrolment ➤ Conducive learning environment 	<ul style="list-style-type: none"> ➤ Surveillance and intelligence on potential risks
	Devolution system of Government	<ul style="list-style-type: none"> ➤ Demand for skills at the county level hence increased student enrolment 	<ul style="list-style-type: none"> ➤ Lobby/ Create linkages with the County Governments.
	Financial Support from national government through NGCDF, NGAAF, HELB, grants and capitation.	<ul style="list-style-type: none"> ➤ Improved and expanded infrastructure ➤ Increased students enrolment 	<ul style="list-style-type: none"> ➤ Prudent use of government funds ➤ Accountability in the use of available resources

b. Environmental Sustainability

The institute has an environmental policy that provides a framework for: reducing negative environmental impacts such as such energy or water consumption, waste management or impacts on natural systems. Michuki Technical Training Institute has adopted the following.

- a) Waste segregation bins for ease disposal and further treatment / processing. This has resulted in an effective and sustainable waste management system and reduction of pollution
- b) Having an annual environmental awareness week and participation in college environmental activities spearheaded by the Nature Club. The year under report environmental awareness week culminated in planting trees within the communities surrounding the institution.
- c) Energy conservation by use of "Turn off lights stickers " being mounted on switches all around the institution. The stickers were sensitize the institute community on energy saving

C Economic and Financial Sustainability

Michuki Technical Training Institute is largely financed by the Government of Kenya to undertake its core mandate. This is supplemented with internally generated funds from tuition fees charged to students. Furthermore, the institute has rationalized its activities to fit within existing budgetary allocations. This is done to enhance financial sustainability.

c. Employee welfare

At Michuki Technical Training Institute, we integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviours of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We also seek to minimize our environmental impact and seek to enhance the amenity of residential communities.

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

The Institute's Human Resource Manual guides on hiring and appraisal of the staff. Staff training and development has been factored in the annual budget to ensure that our staff are trained and equipped in regard to emerging issues. Michuki Technical Training Institute has total of 173 employees of which 97 are male and 76 are female of which non-teaching is 27, teaching is 142 and 4 casual furthermore this constitute 10 PSC trainers and 99 BOG trainers .

d. Market place practices

Responsibility: Supply Chain and Supplier relations

As per the government policy and Section 227 of The Constitution of Kenya, the institute has ensured that it complies with procurement regulations.

1. All procurement activities are carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.
2. The Institute has maintained and continuously updated a list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs
Michuki Technical Training Institute ensures that;
 - i) Customers are provided with support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.
 - ii) Proper communication channels e.g. Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers.
 - iii) When doing procurement planning, the institute has complied with preference and reservation requirements.
 - iv) Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the supplier and also avoiding of penalties that may arise from delayed payment.
 - v) Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers.
 - vi) The institute participated in the Regional Athletic held at Kigumo Teachers College and emerged position two (2).
 - vii) The Institute has marketing policy for its programmes that guides on the safety of the consumers rights and interest with an objective of enhancing visibility of the Institute and its programmes and as well as positioning Michuki Technical Training Institute of choice.

e. Corporate Social Responsibility/ Community Engagements

The Institute carried out various CSR activities during the year under review. These activities include:

- Providing tree seedlings
- Tree planting within the community shopping centres
- Cleaning the environment amongst others
- Provide free dustbins to the community within the county (Kangema and Muranga)

a) School Environmental Awareness Programmes

The institute has embraced school environment programmes as tool of enhancing awareness creation on environmental conservation. The programme entailed creating awareness on environmental conservation among trainees and community members. The students are taught how to plant trees seedlings to ensure higher survival rates and also to take care of them till maturity. A total of 7,000 trees were planted, ultimately the trees planted will enhance ecological balances thus sustaining livelihoods as depicted by below photo as frontier by our institution Chief Principal.



11. REPORT OF THE COUNCIL/BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of *Michuki Technical Training Institute* affairs.

Principal Activities

The principal activity of the entity to provide Technical, Vocational and Entrepreneurship Training (TVET) using appropriate technology to empower trainees for individual and national development

Results

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

COUNCIL BOARD OF GOVERNORS

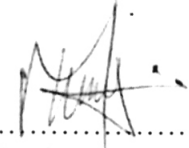
The members of the Board who served during the year are shown on page v-vii.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

Auditors

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

By Order of the Board



.....
Institute Secretary

Date:

12. STATEMENT OF BOARD OF COUNCIL MEMBERS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 9 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the Board members to prepare financial statements in respect of that Michuki Technical Training Institute, which give a true and fair view of the state of affairs of the *entity* at the end of the financial year/period and the operating results of the *entity* for that year/period. The Board members are also required to ensure that the *entity* keeps proper accounting records, which disclose with reasonable accuracy the financial position of the *entity*. The Board members are also responsible for safeguarding the assets of the *entity*.

The Board members are responsible for the preparation and presentation of the *entity* financial statements, which give a true and fair view of the state of affairs of the *entity* for and as at the end of the financial year (period) ended on June 30, 2023. 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 *entity*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

Nothing has come to the attention of the Board members to indicate that the *entity* 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 financial statements were approved by the Board on 11th July, 2024 and signed on its behalf by:

Name: BENJAMIN N. KAMAU
Signature.....
Chairperson of the Board/Council

Name: ANNE M. MBOGO
Signature.....
Accounting Officer/Principal

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT OF THE AUDITOR-GENERAL ON MICHUKI TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on the 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 the Lawfulness and Effectiveness in 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 the 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

The accompanying financial statements of set out on pages 1 to 30, which comprise the statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of changes in assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Michuki Technical Training Institute as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statement

Review of the financial statements balances and disclosures revealed the following inaccuracies.

- i. The statement of financial position reflects Kshs.726,347,707 as net book value balance for property, plant and equipment. However, audit verification of Note 19b property, plant and equipment reflects net book value of Kshs.519,161,934 resulting to unexplained and unreconciled variance of Kshs.207,185,773 as shown below;

Item	Balance as Per Property, Plant and Equipment Schedule (Kshs.)	Balance as per Note 19b (Kshs.)	Variance (Kshs.)
Cost Value	869,204,110	585,927,859	283,276,251
Accumulated Depreciation	(142,856,403)	(66,765,926)	(76,090,477)
Net Book Value	726,347,707	519,161,933	207,185,774

- ii. The statement of financial position reflects Kshs.4,678,700 in respect of net book values of intangible assets. However, note 20 to the financial statement reflects Kshs.4,459,386 resulting unexplained variance of Kshs.219,314.

- iii. The statement of cashflow reflects balance of Kshs.93,574,300 as net cashflow from operating activating activities which differ with the net surplus of Kshs.34,030,032 reflected in the statement of financial performance. However, no disclosure in terms of note to financial statements in respect of cash generated from operations has been provided to reconcile the surplus for the year and net cash flow from operating activities as required by the reporting template prescribed by Public Sector Accounting Standards Board.
- iv. The statement of financial performance under the comparative column reflect balance which differ with the computed amount reflected in the notes to the financial statement as shown below;

Item	Note	Comparative Amount as per statement of financial performance (Kshs.)	Computed amount as the supporting note (Kshs.)	Variance (Kshs.)
Repairs and Maintenance	14	23,351,529	17,463,977	5,887,552
Grants and Subsidies	15	0	15,750,000	(15,750,000)
Total		23,351,529	33,213,977	(9,862,448)

- v. The statement of financial position under revenue reserves and revaluation reserves reflects amounts which differs with the re-computed amount as per the statement of net asset as shown below. In addition, the statement of net asset reflects Kshs.129,254,058 as opening balance for revenue reserves which differs with prior year audited closing balance of Kshs.139,254,058 resulting to unexplained variance of Kshs.10,000,000.

In the circumstances, the respective balances reflected in the financial statement could not be confirmed.

2. Anomalies in Revenue from Exchange Transactions

Note 7 of the financial statement reflects Kshs.294,745,590 and Kshs.216,428,173 as gross and net revenue respectively from rendering services - fees from students. Audit of the supporting documentations revealed the following anomalies;

- i. Review of student billing report retrieved from the ERP system revealed that the total amount billed during the financial year was Kshs.308,988,914 which differs with the reported gross amount of Kshs.294,745,590 resulting to unexplained and unreconciled variance of Kshs.14,243,324.

- ii. The memorandum of understanding between NYS programme and the institution was not provided for audit review and therefore terms of engagement and how the trainees under the module were billed could not be confirmed.

In the circumstances, the balances of revenue for rendering services –fee from student could not be confirmed.

3. Use of Goods and Services

3.1 Unsupported Motor Vehicle Expenses

Note 10 in the financial statements reflects Kshs.164,438,369 in respect of expenditure for use of goods and services. The expenditure includes Kshs.1,888,167 for motor vehicle expense. However, the amount spent on repairs were not supported by mechanical reports from a licensed mechanic to show the nature and extend of defects of the motor vehicles.

3.2 Cleaning Services

Note 10 to the financial statements reflects expenditure of Kshs.164,438,369 in respect of use of goods and services. Included in the expenditure is cleaning services expenses totalling to Kshs.3,250,953. However, the following anomalies were observed:

- i. The supplier for cleaning services received a letter of notification of award on provision of cleaning services via tender no M.T.T./CLEANING SERVICES /24/2022/2023 dated December 22nd 2022 at a tender sum of Kshs.300,000. However, no letter of acceptance from the supplier was provided for audit.
- ii. The agreement between Institute and the supplier is dated 19th January, 2023. However, the Institute representative signed it on 19th January, 2022.
- iii. The agreement had no contract period.
- iv. The invoices were not supported with ETR receipts.
- v. At the time of audit an expenditure of Kshs.2,063,038 had been incurred.

3.3 Unsupported Security Expenses

Note 10 to the financial statements reflects expenditure of Kshs.164,438,369 in respect of use of goods and services. Included in the amount is security expenses totalling to Kshs.2,291,420. However, the following anomalies were noted;

- i. The supplier of security services was not in the list of prequalified suppliers.

ii. The contract agreement between Institute and security firm provided for audit verification did not disclose the contract sum and the contract period.

iii. The expenditure of Kshs.1,310,597 had been incurred.

In the circumstances, expenditure for respective components for goods and services could not be confirmed.

4. Unsupported Expenditure on Board Expenses

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects Kshs.6,221,170 in respect to board expenses. A review of records provided revealed that an amount of Kshs.2,180,000 was not supported by documentary evidence.

In the circumstances, the validity and occurrence of the board expenditure could not be confirmed.

5. Unsupported Repair and Maintenance Expenses

Note 1 to the financial statement reflects Kshs.19,154,443 in respect of repair and maintenance. The balance includes maintenance of building amounting to Kshs.3,70,664 and general refurbishment amounting to Kshs.10,866,247. The Institute used individuals from the community for maintenance of building for the expenditure amounting to Kshs.726,859 and general refurbishment amounting to Kshs.2,10,234. However, the following anomalies were noted.

- i. There were no minutes to confirm meeting of the beneficiary community.
- ii. There was no document or record of communication to confirm how the community elected or nominated their representative as per the regulations.
- iii. The register from the supervisors of the projects to confirm individuals who performed the duties was not provided during the audit.

It was not possible to confirm the basis of payment of Kshs.3,217,093 incurred under repairs and maintenance.

In the circumstances, the basis of payment of Kshs.3,217,093 incurred under repairs and maintenance could not be confirmed.

6. Long Outstanding Trade Receivables

Note 17 of the financial statements reflects Kshs.27,047,560 as net receivables from exchange transactions which includes student debtors balance of Kshs.10,389,741, receivable from National Youth Service amounting to Kshs.9,846,400, receivable from

Tetu TVC amounting to Kshs.2,639,364, receivable from Kigumo TVC amounting to Kshs.3,483,574, receivables from Laikipia West amounting to Kshs.896,276 and provision of bad and doubtful debt amounting to Kshs.207,795.

However, the following anomalies were noted:

- i. The schedule, invoices issued and receipts for student debtors amounting to Kshs.12,233,891 were not provided for audit, the accuracy and completeness of the closing balance for student debtors could not be ascertained.
- ii. The schedule for opening balance of receivables from National Youth Service amounting to Kshs.34,456,200 was not provided, only invoices amounting to Kshs.9,846,400 were provided.

In the circumstances, the accuracy, completeness and disclosures for the receivables from exchange transactions could not be ascertained.

7. Inaccurate Biological Assets Balance

Note 18 to the financial statements reflects biological assets amounting to Kshs.325,000. The report and valuation upon all assets (immovable and movable) prepared by Valuer in June, 2024 indicated that the biological assets were valued at Kshs.1,150,000 resulting to unexplained and unreconciled variance of Kshs.825,000.

In the circumstances, the reported balance of biological asset could not be confirmed.

8. Property, Plant and Equipment

8.1 Lack of Ownership Documents

Note 19 on property, plant and equipment include land with a cost of Kshs.42,100,000. However, ownership could not be established since the ownership documents for one (1) parcel of land was not provided for audit confirmation.

In addition, the property, plant and equipment balance include a net book balance of Kshs.8,541,503 in respect of motor vehicles. However, two (2) logbooks indicates that the vehicles belong to Michuki Technical High School instead of Michuki Technical Training Institute. Management have not demonstrated action taken to register the motor vehicle in the name of the Institute.

8.2 Undisclosed Assets

Physical verification carried out in the month of April 2025 revealed that the Institution has assets for value addition plant donated from the Government of China. However, there were no documentations to confirm the values of the assets, neither were the said assets included in the financial statements.

In the circumstances, the ownership, accuracy and completeness of the property, plant and equipment could not be confirmed.

9. Inaccuracy of Intangible Assets

The statement of financial position as at 30 June, 2024 and as disclosed in Note 20 reflects a balance Kshs.4,459,386. However, this was not in agreement with the net book value of the assets register of balance of Kshs.8,200,000, resulting in unexplained and unaccounted variance of Kshs.3,740,614.

In the circumstances, the accuracy and completeness of the intangible assets could not be confirmed.

10. Unsupported Trade and Other Payables

Note 20 to the financial statements reflects Kshs.18,602,919 in respect of trade and other payables. However, the balance includes Kshs.1,840,924 for trade payables not supported with invoices and supplier account statements. Further, analysis and documentary evidence in respect of other pending payables were not provided for audit.

In the circumstances, the accuracy and completeness of the trade and other payables could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Michuki 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 budgeted receipts and actual amount of Kshs.300,382,930 and Kshs.334,435,626 respectively. However, the College spent Kshs.286,183,293 against actual receipts of Kshs.334,435,626 resulting to underutilization of Kshs.48,252,333 or 16% of the actual receipts.

The underutilization of receipts affected the planned activities and may have impacted negatively on the service delivery to the intended College beneficiaries.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit section of the report, including in relation to these matters. Accordingly, the audit included the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters above, provide the basis for my audit opinion on the accompanying financial statements.

Other Matter

Unresolved Matter from Prior Years

Various prior year audit issues raised under the report on financial statements, and report on Lawfulness and effectiveness in Use of Public Resources and report on Effectiveness of Internal Controls, Risk Management and Governance remained unresolved as at 30 June, 2024. In addition, Management has not disclosed all the audit reservations contained in the audit report for the year ended 30 June, 2023 at Appendix I to the financial statement. Further, Management has not given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury.

Other Information

The Management is responsible for the Other Information set out on pages iii to xlix 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, Report of the Board of Governors and Statement of the 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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-competitive Procurement Process and Contract Management.

Note 10 to the financial statements reflects expenditure of Kshs.164,438,369 in respect of use of goods and services. Included is an amount of Kshs.12,147,250 in respect of pay as you eat expenses relating to provision of catering services. However, the following anomalies were noted;

- i. The procurement file provided for audit revealed that minutes of tender opening for the provision of catering services held on 4 January, 2019 highlighted prices of particular foods approved amounting to Kshs.210. Min 3/3/1/2019 on financial evaluation revealed that the evaluation committee resolved and recommended that Catering Services supplier to be paid Kshs.120 per NYS student for the following meals breakfast, ten o'clock tea, lunch and supper where the meals will vary based on individual needs but should not exceed Kshs.120 per day. Audit verification of the payment vouchers revealed that the NYS students paid Kshs.250 per day.
- ii. The supplier requested a contract renewal on provision of catering services on 3/1/2020 which was approved and renewed for two years with effect from 10/1/2020 up to 7/1/2022 vide letter Ref;MTTI/GEN/4/2743 on 8/1/2020. The contracts were renewed before the Institution followed the procurement process. The contract between Institute and catering services provider was on 1 January 2019.
- iii. The supplier requested a contract renewal on provision of catering services on 7/1/2022 which was approved and renewed for two years with effect from 10/1/2022 up to 7/1/2025 vide letter Ref;MTTI/GEN/4/3045 on 7/1/2022. The contracts were renewed before the Institution followed the procurement process.

- iv. Sample vouchers audited revealed an expenditure incurred by the institution for the purchase of meals for the NYS students was at a cost of Kshs.250 which was higher than the quoted price of Kshs.120.

In the circumstances, the value for money and effectiveness of contract management could not be confirmed.

2. Failure of Trainers to Register with the Technical and Vocational Educational and Training Authority

The statement of financial performance and as disclosed in Note 11 to the financial statements reflects Kshs.42,554,511 in respect to employee costs. The Institution recruited twenty-five (25) employees during the year under review. However, it was noted that twenty-two (22) employees employed on contract basis as trainers under the Board of Governors lacked a trainer's license from the Technical and Vocational Education and Training Authority contrary to Regulation 16. (1) of the Technical and Vocational Education and Training Regulations 2015.

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

The audit was conducted in accordance with ISSAIs 3000 and 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.

Basis for Conclusion

The audit was conducted in accordance with ISSAIs 2315 and 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 Board of Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance. In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 22(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 May, 2025

MUSKUMBI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

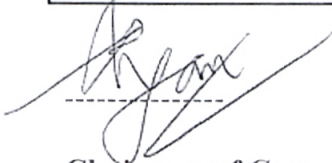
14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2024

	Notes	FY2023-2024	FY2022-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfer from the National Government–grants	6	86,810,250	45,617,000
Total Revenue from non-exchange transactions		86,810,250	45,617,000
Revenue from exchange transactions			
Rendering of services- Fees from students	7	216,428,173	152,448,194
Rental revenue from facilities and equipment	8	300,200	436,000
Miscellaneous income	9	4,647,965	17,641,860
Revenue from exchange transactions		221,376,338	170,526,054
Total revenue		308,186,588	216,143,054
Expenses			
Use of goods and services	10	164,438,369	124,760,269
Employee costs	11	42,554,511	34,191,485
Board Expenses	12	6,221,170	6,540,528
Depreciation and amortization expense	13	33,295,230	34,523,530
Repairs and maintenance	14	19,154,443	23,351,529
Grants and Subsidies	15	8,492,833	-
Total expenses		274,156,556	223,367,341
Net (deficit)/surplus for the year		34,030,032	(7,224,287)

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

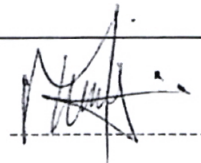
15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

	Notes	FY2023- 2024	FY2022- 2023
Assets			
Current assets			
Cash and cash equivalents	16	73,013,517	24,761,195
Receivables from exchange transactions	17	27,047,560	53,464,627
Helb & bursary			(3,032,735)
Total Current Assets		100,061,077	75,193,087
Non-current assets			
Biological assets	18a	325,000	487,500
Property ,plant and equipment	19	726,347,707	724,252,331
Intangible Asset-Computer software	20	4,678,700	2,472,998
Total Non-Current Assets		731,351,407	727,212,829
Total assets		831,412,484	802,405,916
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	21	18,602,919	21,399,172
Refundable Deposit from Students	22	7,980,584	-
Total Current Liabilities		26,583,503	21,399,172
Reserves			
Capital reserve		566,714,000	566,714,000
Revenue Reserve		163,076,295	139,254,058
Revaluation Reserve		75,038,686	74,588,686
Fair value adjustment		-	450,000
Total Capital and Reserves		804,828,981	781,006,744
Total Liabilities and Capital & Reserves		831,412,484	802,405,916



Chairman of Council/Board of Governors

Date.....



Chief Principal

Date.....



Finance Officer
ICPAK No.22979

Date.....

16. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30TH JUNE 2024

	reserve	Revenue Reserve	Capital reserves	fair value adjustment reserve	Total
Balance as at June 30,2022	74,588,686	136,627,469	566,714,000	450,000	788,380,155
Surplus for the year June 2023		(7,224,287)			(795,104)
Prior Year Adjustment					(7,008,843)
Increase in Provision for bad debts & doubtful debts	-	(149,124)	-	-	(149,124)
Balance as at June 30,2023	74,588,686	129,254,058	566,714,000	450,000	781,006,744
1st July 2023	74,588,686	129,254,058	566,714,000	450,000	781,006,744
Surplus for the year June 2024		34,030,032			
Provision for bad debts & doubtful debts		(207,795)			
Amended	450,000			(450,000)	
Balance as at June 30,2024	75,038,686	163,076,295	566,714,000	-	804,828,981

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 30TH JUNE 2024

17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2024

	FY 2023/2024	FY 2022/2023
	Amount (KSH)	Amount (KSH)
Cash flows from operating activities		
Receipts		
Transfers from other Government entities/Govt. grants	86,810,250	45,617,000
Rendering of services- Fees from students	242,677,211	116,551,611
Rental revenue from facilities and equipment	300,200	436,000
Miscellaneous income	4,647,965	17,641,860
Total Receipts	334,435,626	180,246,471
Payments		
Use of goods and services	164,438,369	124,760,269
Employee cost	42,554,511	34,191,485
Repair and maintenance	19,154,443	23,351,529
Board Expenses	6,221,170	6,540,528
Grants and Subsidies	8,492,833	-
Total Payments	240,861,326	188,843,811
Net cash flows from operating activities	93,574,300	(8,597,340)
Cash flows from investing activities		
Purchase of property, plant, equipment	45,321,977	36,412,959
Net cash flows used investing activities	45,321,977	36,412,959
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Increase in deposits	-	-
Net cash flows used in financing activities	-	-
Net(decrease)/Increase in cash and cash equivalents	48,252,323	(45,010,199)
Cash and cash equivalents as at 1 st July 2023	24,761,194	69,771,393
Cash and cash equivalents as at 30TH JUNE 2024	73,013,517	24,761,194

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
ON 30TH JUNE 2024

18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2024

	Original budget	Adjustments	Final budget	Actual	Performance difference
	FY 2023-2024	FY 2023-2024	FY 2023-2024	FY 2023-2024	FY 2023-2024
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Revenue					
Transfers from other Govt. entities	154,072,930		154,072,930	86,810,250	67%(u)
Rendering of services- Fees from students	144,765,000		144,765,000	242,677,211	68%(f)
Rental revenue	720,000		720,000	300,200	58%(u)
Miscellaneous Income	825,000		825,000	4,647,965	
Total income	300,382,930		300,382,930	334,435,626	
Expenses					
Use of Goods and services	139,417,194		139,417,194	164,438,369	18%(u)
Employee cost	50,235,096		50,235,096	42,554,511	15%(f)
Repair and maintenance	17,640,000		17,640,000	19,154,443	9%(f)
Board Expenses	10,420,000		10,420,000	6,221,170	40%(u)
Development	82,670,640		82,670,640	45,321,977	45%(f)
Grants & Subsidies-Mentees			-	8,492,823	
Total expenditure	300,382,930		300,382,930	286,183,293	

Notes to the statement of comparison of budget and actual amounts

a. Transfers from other Government entities & Government grants -67%

In the financial year 2023-2024 the institute received Funding from the Ministry for capitation but did not receive all the capped allocation per students hence a reduction in the capitation disbursement.

b. Rental revenue -58%

The year under review some of the staffs houses were partially paid in the FY2022-2023 and most tenants paid their rent in the preceding financial year.

c. Other income -17%

There was less incomes from the miscellaneous incomes and a non- sponsorship from the partners for the students to pursue short hand on skills courses.

e. Use of Goods and services-18%

The increase is due to more training material needed for the trainees on hand on skills practical's

d. Development-45%

The under absorption is due to inadequate funds from the MOE.

19. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Michuki Technical Training Institute is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide Technical Vocational and entrepreneurship Training (TVET).

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 *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Notes.

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ADOPTION OF NEW AND REVISED STANDARDS

- i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 43 Leases	Applicable: 1st January 2025 The new standard requires entities to recognize, measure and present information on right of use of assets and lease liabilities. The objective of the standard is to ensure that leases and lessor provides relevant

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

Standard	Effective date and impact:
	information in manner that faithfully represents that transaction. The information will give basis for which users of financial statements assess the effect the leases have on the financial position, financial performance and cash flows of an entity.
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an 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>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2024.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions-IPSAS 23

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

ii) Revenue from exchange transactions –IPSAS 9

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

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 –IPSAS 24

The original budget for FY 2022/2023 was approved by the Council or Board on 30th June 2022. 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 in order to conclude the final budget. Accordingly, the entity did not record additional appropriations on the FY 2023/2024 budget following the Council/ Board's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. 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 actual as per the statement of financial performance has been presented under page 5 of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per first schedule of the Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Taxes (continued)

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 a period of 50 years.

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.

Property, plant and equipment –IPSAS 17

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, 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.

Freehold land is not depreciated as it is deemed to have an infinite life

The annual depreciation rates of assets in use are as follows:-

<u>Assets</u>	<u>Rate (p.a)</u>
Buildings	2%
Furniture, plant and equipment	12.5%
Motor vehicles	25 %
Computers	33.3 %

Software

20%

Fixed assets are stated at cost or valuation, less accumulated depreciation. Depreciation is on reducing balance basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. 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 Entity 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 so as 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. The assets are subjected to a full years depreciation except those acquired within the last three months of the year at rate of 20%

h) 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.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

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.

1 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Loss arising from impairment is recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- The debtors or a entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

i) Inventories –IPSAS 12

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Inventories (Continued)

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

j) Provisions –IPSAS 19

Provisions are recognized when the Entity 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 Entity 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 Entity 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 Entity 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 Entity 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

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

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

The Entity 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.

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Related parties

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

q) Service concession arrangements

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

r) Cash and cash equivalents

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

s) Comparative figures

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

t) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Entity'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 Entity
- 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 Notes.

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.

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

NOTES TO THE FINANCIAL STATEMENTS (Continued)

(a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

During the year under review the institution received funds from the Ministry of Education as detailed below; capitation grants was distributed to the students and the other grants were transferred to the relevant institutions.

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Conditional grants		
Capitation grants	78,317,417	45,617,000
Capitation grant –Kandara	-	1,650,000
Capitation grant –Kigumo	899,500	-
Conditional grants	79,216,917	
Learning facilities grant –(Kieni TVC)	7,593,333	15,750,000
Learning facilities grant –(Kigumo C)		-
Total Transferred	8,492,833	17,400,000
Total government grants and subsidies	86,810,250	63,017,000

(b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of the entity sending grant	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry/State Department	86,810,250			86,810,250	63,017,000
Total	86,810,250		-	86,810,250	63,017,000

7 RENDERING OF SERVICES

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Tuition fees	63,429,584	31,581,010
P/Emolument teaching staff	26,447,383	16,785,874
Repair and maintenance	13,305,789	4,973,850
Local transport & travel	16,050,560	9,535,246
Activity fees	17,497,103	10,188,018
Electricity Water & Conservation	18,086,434	10,397,930
Insurance	1,822,102	2,356,541
Administration	37,089,846	28,608,743

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
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Student Welfare	5,656,015	3,256,846
Gratuity	2,794,086	1,609,370
P/Emolument Casual	8,751,980	5,011,872
Capacity Building	1,809,178	1,050,868
Practical	23,107,098	16,674,737
P/Emolument non –teaching staff	16,335,687	9,518,785
Industrial attachment fees	11,383,117	7,546,704
Development Fees	3,704,050	-
Hostel fees	9,145,689	-
Computer packages	217,775	-
Registration Fees	997,100	-
Students Activities	1,959,689	-
KUCCPS	1,148,905	-
Short Courses	466,000	-
Driving Course	1,855,870	-
Library Fees	1,838,150	-
Pay as You Eat	-	4,512,600
Receivable from National Youth Service	9,846,400	34,456,200
Receivable from Mentoring institution	-	7,019,214
Sub-Total	294,745,590	205,084,408
Less :Capitation & Scholarships	(78,317,417)	(45,617,000)
Receivables from mentoring Institution	-	(7,019,214)**
Total revenue from the rendering of services	216,428,173	152,448,194

8. RENTAL REVENUE FROM FACILITIES AND EQUIPMENT

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
House Rent	300,200	436,000
Total	300,200	436,000

9 MISCELLANEOUS INCOMES

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
College ID cards	1,192,300	1,346,400
Hostel Fees	-	9,850,045
Computer Package	-	341,290
Driving Course	-	2,265,577
Farm Account	57,005	281,360
Bus hire	1,155,840	710,220
Library card	1,262	1,877
Miscellaneous(photocopy ,printing &sale of idle and absolute assets)	136,676	247,891
Library Fees	-	2,120,000
Registration Fees	-	477,200
Graduation Fees	1,933,000	-
IGUI-W01	134,999	-
Bad Debt Recovered	36,883	-
Total other income	4,647,965	17,641,860

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

10. USE OF GOODS AND SERVICES

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Teaching and learning materials	18,036,378	9,496,524
Transport and travelling	607,346	476,037
Insurance expense	902,682	292,302
Administration cost	44,648,570	41,388,086
Electricity, Water & conservation	6,339,108	3,587,428
Activity & sport	12,717,891	6,415,753
Fuel & gas	7,719,658	4,301,335
Pay as you Eat Expenses	12,147,250	20,729,600
Capacity Building expense	9,398,723	6,873,452
Practical materials	13,136,517	14,858,150
Industrial attachment costs	1,393,505	1,457,500
Student Welfare	1,806,431	283,925
Prepaid fees refund	505,102	553,851
CSR	-	100,000
Internet and Telephone	2,223,305	2,111,842
Postage Expenses	7,873	4,650
Security Services	2,291,420	2,251,051
Advertising and Marketing	8,200,430	2,757,634
Newspaper and Journals	68,580	53,280
Rent and Rates	-	10,000
Knec Practical's Material	9,723,391	3,510,824
Motor Vehicle Expenses	1,888,167	1,135,713
Cleaning Services	3,250,953	1,179,312
Garbage Collection & Wastes disposals	551,918	-
KUCCP	610,500	-
IGU-W01 Expenses	541,808	-
Graduation Expenses	4,095,089	-
Bank charges	54,352	94,836
Sub -Total	162,866,947	123,923,085
Others		
Driving course expense	1,041,890	450,085
Farm expense	426,885	387,099
Computer package expenses	102,647	-
Total use of good and services	164,438,369	124,760,269

1. EMPLOYEE COSTS

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
P/E Non- teaching staff	12,551,174	11,561,621
P/E teaching staff	28,747,257	21,448,934
Casual	584,800	1,150,500
Gratuity	671,280	30,430
Employee costs	42,554,511	34,191,485

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

12. COUNCIL EXPENSES

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
COG Emoluments	5,946,674	6,491,027
Other COG Expenses	274,496	49,501
Total Board Expenses	6,221,170	6,540,528

13. DEPRECIATION AND AMORTIZATION EXPENSE

Description	FY 2023-2024	FY2022-2023
	Kshs	Ksh
Property ,plant and equipment	32,044,305	33,824,030
Intangible Assets-ERP	1,169,675	609,500
Amortization of Biological Assets	81,250.00	-
Total depreciation and amortization	33,295,230	34,523,530

14. REPAIRS AND MAINTENANCE

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Repair and maintenance	2,177,443	5,893,445
Maintenance of Building	3,170,664	1,666,859
Maintenance of plant and Equip.	1,060,985	1,111,180
General Refurbishment	10,866,247	12,258,955
Motor Vehicles	1,665,660	882,388
Computer Accessories	213,444	1,538,702
Total repairs and maintenance	19,154,443	23,351,529

15. GRANTS AND SUBSIDIES-MENTEES TRANSFER

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Mentees		
Learning facilities grant –(Kieni TVC	7,593,333	15,750,000
Learning facilities grant –(Kigumo TVC)	899,500	-
Total Grants and Subsidies	8,492,833	15,750,000

16. CASH AND CASH EQUIVALENTS

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
KCB Current Account	34,810,549	8,456,323
Equity Bank	34,297,839	10,404,558
Amica saving & credit	3,900,656	5,896,131
Cash at Hand	4,473	4,183
Total cash and cash equivalents	73,013,517	24,761,195

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

1 (a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
KCB Current Account	34,810,549	8,456,323
Equity Bank	34,297,839	10,404,558
Amica saving & credit	3,900,656	5,896,131
Cash at Hand	4,473	4,183
Total cash and cash equivalents	73,013,517	24,761,195

7. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	FY 2023-20224	FY 2022-20223
	Kshs	Kshs
Current receivables		
Student debtors	10,389,741	12,233,891
Receivable from National Youth Service	9,846,400	34,456,200
Receivable from Tetu Tvc	2,639,364	2,639,364
Receivable from Kigumo Tvc	3,483,574	3,483,574
Receivables from Laikipia West	896,276	896,276
Sub-Total current receivables	27,255,355	53,709,305
Provision for bad & doubtful debts	(207,795)	(244,678)
Total Current Receivable	27,047,560	53,464,627

17. AGEING ANALYSIS OF RECEIVABLE FROM EXCHANGE TRANSACTIONS

Description	FY 2023-2024		F Y 2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,182,679.00	12		
Between 1- 2 years	12,873,405.00	47		
Between 2-3 years	1,786,233.00	6		
Over 3 years	9,413,038.00	35		
Total (a+b)	27,255,355.00	100		

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED ON 30TH JUNE 2024

18a. Biological Assets

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
COST		
Description		
Total as 1st July 2022	568,750.00	
Additions		
Disposals		
Total as 30th June 2022	568,750	
At 1st July 2022	568,750	
Amortization	81,250	
Additions	0	
Disposals	0	
At 30th June 2023	487,500	
Amortization	81,250	
Disposals	0	
At 30th June 2023	406,250	
At 1st July 2023	406,250	
Accumulated Amortization at June 2023	162,500	
Amortization	81,250	
Accumulated Amortization at June 2024	243,750	
Disposals		
Net book value as at 30th June 2024	325,000	487,500

MICHUNGI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

20. PROPERTY, PLANT AND EQUIPMENT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

19 (b) Property, Plant and Equipment at Cost

PROPERTY, PLANT AND EQUIPMENT

COST	LAND	BUILDINGS	MACHINERY	Motor Vehicle	COMPUTERS	FURNITURE & FITTINGS	LIBRARY BOOKS	TOTAL
Description		2%	12.50%	25%	33.30%	12.50%	13%	
Total as 30 June 2023		434,133,171	91,972,174	26,995,366	9,980,622	25,688,650	15,000,000	794,627,051
At 1st July 2023		434,133,171	91,972,174	26,995,366	9,980,622	25,688,650	15,000,000	794,627,051
Additions		188,383,519	4,653,090	0	17,332,536	12,401,257	563,725	46,982,240
Disposals		0	0	0	0	0	0	0
At 30th June 2024	42,100,000	622,516,690	96,625,264	26,995,366	27,313,158	38,089,907	15,563,725	869,204,110

Depreciation and Impairment

At 30th June 2023		11,112,429	10,340,022	5,061,631	3,369,959	4,060,428	1,941,858	11,112,429
At 1st July 2023		11,112,429	10,340,022	5,061,631	3,369,959	4,060,428	1,941,858	11,112,429
Depreciated at 2023		12,005,837	9,493,153	5,483,434	6,850,889	3,746,131	1,460,001	0
Accumulated Depreciation at June 2023	0	34,230,695	30,173,197	15,606,696	13,590,807	11,866,987	5,343,717	22,224,858
Depreciated at 2024		11,765,720	8,306,508	2,847,168	4,569,543	3,277,865	1,277,501	32,044,305
Accumulated Depreciation at June 2024	0	45,996,415	38,479,705	18,453,863	18,160,350	15,144,852	6,621,218	142,856,403
Disposals		0	0	0	0	0	0	0
Net book value as at 30th June 2024	42,100,000	576,520,275	58,145,559	8,541,503	9,152,808	22,945,055	8,942,507	726,347,707

Valuation

Land and buildings were valued by ICON Valuers an independent valuer on 22nd June 2020 on market Value basis of valuation. These amounts were adopted on 30th June 2020.

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land			
Buildings	359,340,512	15,798,649	343,541,863
Plant and machinery	157,827,810	24,517,146	133,310,664
Motor vehicles, including motorcycles	34,333,646	14,237,122	20,096,525
Computers and related equipment	13,460,897	5,797,022	7,663,875
Office equipment, furniture, and fittings	20,964,994	6,415,987	14,549,007
Total	585,927,859	66,765,926	519,161,934

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20. Intangible Assets-Computer Software

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
COST		1,784,275
Description		-
Total as 1st July 2022	3,876,000.00	
Additions	5,262,086.00	1,306,972
Disposals		
Total as 30th June 2023	9,138,086.00	
At 1st July 2023	9,138,086.00	
Additions	0	
Disposals	0	
At 30th June 2024	9,138,086.00	
Amortization		
Depreciation 2022		
Accumulated Amortization 2022		
Disposals	1,827,617.20	
At 30th June 2023	1,827,617.20	
At 1st July 2023	0.00	
Depreciation at 2023	7,310,468.80	618,249
Accumulated Amortization at June 2023	7,310,468.80	
Depreciation 2024	1,462,093.76	
Accumulated Amortization at June 2024	3,289,710.96	
Disposals	1,169,675.01	
Net book value as at 30th June 2024	4,459,385.97	2,472,998

21. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	FY 2023-2024	FY 2022-2023		
	Kshs	Kshs		
Trade payables	1,840,924	205,268		
Prepaid Fees in advance		317,222		
Caution Money		6,855		
NITA Exam	312,594	251,601		
KNEC Exam Fee	11,084,490	9,745,094		
TVET CDACC Exams	4,835,387	-		
KASNEB Exams	14,300	-		
Contractors Retention	515,224	10,873,132		
Total trade and other payables	18,602,919	21,399,172		
Ageing analysis	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,855,224	10	-	-
Between 1- 2 years	16,747,695	90	21,399,172	100
Between 2-3 years	0	0	-	-
Over 3 years	0	0	-	-
Total (a+b)	18,602,919	100	21,399,172	100

22 Refundable Deposit from Students

Description		FY 2023-2024		FY 2022-2023	
		Kshs		Kshs	
HEB		3,700,954		1,982,599	
BUSINESSARY		2,522,630		1,050,136	
Cash on Money		6,855		-	
Prepaid Fees in advance		1,750,145			
Total		7,980,584		3,032,735	
Prepaid Fees in advance					
Ageing analysis	Current FY	% of the total	Comparative FY	% of the total	
Less than 1 year	-				
Between 1- 2 years	1,750,145	22	-	-	
Between 2-3 years	6,230,439	78			
Total	7,980,584				

23 FINANCIAL RISK MANAGEMENT

The entity'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 entity'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:

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	10,389,741	10,389,741		207,795
Receivables from non-exchange transactions	-	-		
Bank balances	73,013,517	73,013,517		
Total At 30 June 2024	83,403,258	83,403,258		
Receivables from exchange transactions	10,389,741	10,389,741		
Receivables from non-exchange transactions	-	-		
Bank balances	73,013,517	73,013,517		
Total	83,403,258	83,403,258		207,795

24. FINANCIAL RISK MANAGEMENT (Continued)

(i) Credit risk (continued)

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

The entity has no significant concentration of credit risk on amounts

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with 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.

	Less than 1 month Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
At 30 June 2024				
Prepaid fee	-	1,750,145	-	1,750,145
Total		1,750,145	-	1,750,145
At 30 June 2024				
Trade payables		1,840,924		1,840,924
Caution money			6,855	6,855
NITA Exam		312,594		312,594
KNEC Exam Fee		11,091,345		11,091,345
TVET CDACC Exams		4,835,387		2,452,700
KASNEB Exams		14,300		14,300
Contractors Retention			515,224	515,224
Total AS At June 2024	-	19,844,695	522,079	20,359,919

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. FINANCIAL RISK MANAGEMENT (Continued)

(iii) Market risk

The entity 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 entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The entity'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.

26. RELATED PARTY BALANCES

Nature of related party relationships

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

Government of Kenya

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

-) The National Government;
-) The Parent Ministry;
- i) Students
- v) Parents/Guardians/ Sponsors
-) Community
- i) Government
- ii) Staff
- iii) External Providers (Suppliers)
- x) Key management;
- c) Board of Governors ;

27. SEGMENT INFORMATION

The institution operates only in one geographical regions or in departments, and thus IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments does not apply.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

28. EVENTS AFTER THE REPORTING PERIOD

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

29. ULTIMATE AND HOLDING ENTITY

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

30. CURRENCY

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

APPENDIX I: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS


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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Lack of ownership documents for one parcel of land.	LOC12/4/138 is held in trust by Murang'a county government and the management have initiated the process of acquiring title deed	Not Resolved	June 2026

Accounting Officer

Name: ANNE M.MBOGO

MICHUKI TECHNICAL TRAINING INSTITUTE

Signature.....

Date.....

MICHUKI TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND FINANCIAL STATEMENTS
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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects implemented by the institute Funded by A-A
Status of projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Internal Access Road -Cabros	4,831,570	4,831,570	100%	6,250,000	4,831,570	A-A
2	Abulution Block	2,747,030	2,747,030	100%	2,880,000	2,747,030	A-A
3	Studio Equipping &Installations	4,555,532	3,942,976	100%	4,555,532	3,942,976	A-A

EN	TY NAME:	MICHUKI TECHNICAL TRAINING INSTITUTE		
Br	down of Transfers	from the State Department of vocational and technical training		
FY	2023/2024			
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
		Total		
b.	Development Grants			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
	Ki Tvc	02/10/2023	7,593,333	FY 2023-2024
		Total	7,593,333	
		Transferred	7,593,333	
c.	Capital Grants			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
	M I	02/10/2023	14,273,000	FY 2023-2024
		18/02/2024	13,664,000	FY 2023-2024
		05/01/2024	15,616,000	FY 2023-2024
			43,553,000	
	Scholarships			
		27/02/2024	33,614,656	FY 2023-2024
		06/03/2024	2,049,261	FY 2023-2024
			35,663,917	
		Total	79,216,917	
d.	Donor Receipts			
		<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
		Total		

The above amounts have been communicated to and reconciled with the parent Ministry

Financial Manager
MTTI

Sign



Head of Accounting Unit
Ministry Of Education

Sign-----

