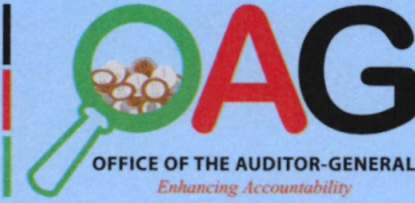


REPUBLIC OF KENYA



REPORT

PARLIAMENT
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THE NATIONAL ASSEMBLY OF PAPERS LAID	
DATE: 25 FEB 2026	DAY: Wednesday
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THE AUDITOR-GENERAL Irene Nduku	

THE AUDITOR-GENERAL

ON

MABERA TECHNICAL AND VOCATIONAL
COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025



**TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET)
MABERA TECHNICAL & VOCATIONAL COLLEGE**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
KNEC	Kenya National Examination Council
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the Mabera TVC

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The Mabera Technical and Vocational College was incorporated/ established under the TVET Act 2013 Act on (September 2019). The entity is domiciled in Kenya and has no branches. The institute is under the Ministry of Education State department of Vocational and Technical Training. Mabera Technical & Vocational College is situated along the main highway Migori-Sirare, 200m away from Mabera town. The centre is located in Migori County, Kuria West sub-County, Kuria West constituency, Kubweye location, Mabera Sub location. The centre sits on a 5-acre piece of land and experiences high rainfall conducive for agricultural practice. The MTVC operates within the mandate of Ministry of Education which provides the general policy and strategic direction on Kenya's higher Education. The centre currently has 49 staff of which 39 are teaching staff and 10 support staff. The MTV has the following departments Hospitality, Business, Electrical and Electronics, Motor Vehicle engineering, Building and Civil engineering. Mabera Technical and Vocational College is a centre of excellence for Hospitality.

(b) Principal Activities

The core mandate of Mabera Technical & Vocational College is to offer training to Students in technical courses and entrepreneurship courses as per the industry needs and examined by KNEC and KASNEB.

Vision

A centre of excellence in, technical and vocational skills development to meet societal needs.

Mission

To develop qualified, self-motivated, globally competitive, innovative persons through practical oriented, training, applied research and entrepreneurial skills that are responsive to societal needs.

Motto

Technology for peace and development.

Core values

- ❖ Professionalism
- ❖ Integrity
- ❖ Innovativeness
- ❖ Team work
- ❖ Accountability and transparency

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(c) Key Management

Mabera Technical and Vocational College is managed by the Board of Governors, appointed by The Cabinet Secretary in charge of Education. The B.O.G. provides leadership in; policy direction and ensures that the institutes programmes and activities are in line with its mandate and set objectives. The principal is the secretary to the Board and executes all policies in line with the institute's core mandate. The principal is assisted by two deputies who are in charge of Administration and Academics. charge of the day-to-day activities of the school, all the non-teaching staff and implementation of the curriculum. The heads of departments report to the deputy principal Academics.

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Beatrice Atieno
2.	Deputy principal - Academics	Janet Atuya
3.	Deputy principal -Finance and Administration	William Opondo
4.	Ag. Registrar	Mogotu Bonface Momanyi
5.	Ag. Dean of students	Dennis Onchwari
6.	Head of Finance	Chacha Jackson Maroa
7.	Head of Procurement	Mwita Stephen Nyanswi

(e) Fiduciary Oversight Arrangements



Finance Infrastructure and ICT committee in a meeting

The Board has the overall mandate of ensuring the sound management of the college. This includes; Approving policies, strategic governance, planning and reviewing policies and plans, approving budgets, quarterly and annual financial statements.

The Management team has the responsibility of ensuring that the policies approved by the Board are implemented and enhancing sound financial management for effective operations.

As at the end of financial year Mabera Technical and Vocational College have two committees that is Finance Infrastructure and ICT committee and Education Training committee activities.

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

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Name of the Committee	Members
Finance Infrastructure and ICT Committee	1.CPA Stellah Kilwake-Chairperson 2.Mrs Beatrice Atieno - (Principal/ BOG Secretary) 3. Eng. John kisyula-Member 4.Mrs. Jane Akinyi Nyasoro-Member
Education Training Committee	1.Mrs. Mary Motongori Gikuri- Chairperson 2.Mrs. Jane Akinyi Ochieng-Member 3. Dr. Peter Ouma Odhiambo -Member. 4.Mrs Beatrice Atieno - (Principal BOG/Secretary)
Auditing and Risk Committee	1. Dr. Peter Ouma Odhiambo - Chairperson 2.Mrs Cecilia Isandah kokello -Member 3.Mrs Mary Motongori Gikuri-Member 4.Mrs Callfax Nanyuki (Internal Auditor)

KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Entity Headquarters

P.O. Box 205-40414
Mabera Centre
Migori-Sirare Highway
Isebania, KENYA

(g) Entity Contacts

Telephone: (254) 795476528
E-mail: maberatvc@gmail.com
Website: www.maberatvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank Ltd,
Isebania Branch,
P.O. Box 134-40414
Isebania, Kenya




(i) Independent Auditors

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



(j) Principal Legal Adviser

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



3.The Council/Board of Governors

No.	Member/ Director	Details
1.	 Mr. Joseph Boke Masiaga BoG Chairperson	<p>Appointment: 31st August 2022 Inauguration: 06th October 2022. Mr. Masiaga holds a Bachelor of Business Administration Finance Option from the University of Maseno. He has vast experience in banking having worked as at various positions up to the level of Branch Manager at KCB-Isibania.</p>
2.	 Mrs. Cecilia Isandah Kokello BoG Member	<p>Appointment: 31st August 2022 Inauguration: 06th October 2022. Qualifications: Holds a Master’s Degree (Educational Foundation) and a Master’s Degree (Distance Education), PGDE, and B.Arts Work Experience: Secondary School Principal for over 20 year. Currently Cecilia is running a business in hospitality.</p>
3.	 Mrs. Stellah Kilwake Chairperson Finance Infrastructure and ICT Committee.	<p>Appointment: 31st August 2022 Inauguration: 6th October 2022. Qualifications: Bachelor of Commerce Finance Option. Certified Public Accountant (CPA). Credit Management and Debts Recovery (TCA). Certificate in Computer Operations. Work Experience: Finance officer at Kenya Institute of Risk Management.</p>


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		Part time lecturer in accounting at Defence Forces Pay and Clerical Training School.
4.	 <p>Eng. John Kisyula BoG Member</p>	<p>Appointment: 31st August 2022 Inauguration: 6th October 2022 Qualifications: Bachelor of Science in Mechanical Engineering in computer Aided Design and Manufacturing (CAD/CAM) CITD India, a Bachelor of Science in Information Communication Technology, Diploma in Technical Education from KTTC, Teacher Self Image I and II (Strathmore University) Senior Management Course, (SMC) KSG Embu, Small and Medium Business Corporation, ASAN South Korea and Senior Leadership Development Programme (SLDP) KSG Baringo. Eng Work Experience: Deputy Director Ministry of Industrialization, Trade and Enterprise Development.</p>
5.	 <p>Mrs. Jane Akinyi Nyasoro BoG Member</p>	<p>Appointment: 31st August 2022 Inauguration: 6th October 2022. Qualifications: Bachelor of Business Information and Technology (BBIT). Certificate in Cisco Certified Network Associate. Work Experience: Information Technology (IT) officer at Plan International Kenya. Sponsorship Data Clerk at Plan International Kenya. Research Assistant at Plan International.</p>

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6.	 <p>Dr. Peter Ooko Ouma BOG Member</p>	<p>Appointment: 31st August 2022 Inauguration: 6th October 2022 Qualification: PhD in environmental Education from Kenyatta university a Masters of Science in Agriculture Education from Egerton University and a Bachelor of Science Agricultural Education and Extension from Egerton University also holds a Diploma in Education Management from Kenya Education Management Institute. Work Experience Has experience as a secondary school principal and a teacher of Agriculture and Biology, a part time lecturer and kisii university and a lecturer at Eldoret university. Currently is a private consultant.</p>
7.	 <p>Mrs. Mary Motongori Gikuuri BoG Member</p>	<p>Appointment: 31st August 2022 Inauguration: 6 October 2022. Qualifications: Master in Education Management. Work Experience: Chairperson Examination Board at Public Service Commission. Acting vice chairperson at Public Service Commission. Member at Public Service Commission Director at Father Angelo Principal at Nyaroha Girls High School. Patron at Kuria Disability Network. Deputy head teacher at Moi Nyabohanse High School. Assistant teacher at Ndururumo High School. Mrs. Mary chairs the Education Training committee activities</p>
8.	<p>Dr. John Osoro Nyangweta Regional Director TVET</p>	<p>Dr. Osoro Nyangweta is currently the Deputy Director in charge of Planning, Research, Outreach and Policy at the Kenya National Qualifications Authority of the Ministry of Education, Kenya. He has worked for 16 years in the Ministry of Education. He gained vast experience in quality assurance, research, data processing and technical Education at helm of Education in Kenya. His areas of expertise are inclusive of Planning, Research, outreach and</p>

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		<p>policy. He has published multiple concept papers in renowned international journals of high reputation. He has also worked as a part-time lecturer in the University Nairobi and Rongo University</p>
<p>9.</p>	 <p>Mrs Beatrice Atieno Nyareki Kelly Principal/Secretary to the Board</p>	<p>Qualifications: MDS (Masters in Guidance and Counselling) Level of Studies: Diploma in Technical Education. Bachelor of Education with Guidance and Counselling. Masters of Education in guidance and Counselling.</p>

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4. Key Management Team

No.	Member/ Director	Details
1.	 <p>Mrs Beatrice Atieno Nyareki Principal/Secretary to the Board</p>	<p>Qualifications: Diploma in Technical Education Institution Management Bachelor of Education with guidance and Counselling Masters of Education in Guidance and Counselling</p> <p>Work Experience: Bumbe TTI -2 Yrs. Kisii National Polytechnics- 27 yrs Mabera TVC- 9th July 2024 to date</p>
2.	 <p>Janet Atuya Deputy principal-Academics Bachelor of Education in Technology Education (Building and Construction Technology)</p>	<p>Mrs Janet Atuya deputizes the principal and she is in charge of disciplinary issues concerning students. Ensures academic time tables are made in time. Also ensures that the lessons that appear on the timetable are adequately taught.</p>
3.	 <p>ENG. WILLIAM OPONDO Trainer In Building And Civil Engineering Department</p>	<p>ENG. WILLIAM OPONDO INCHARGE OF:</p> <ol style="list-style-type: none"> 1. General Workers Welfare 2. Students Discipline 3. Infrastructure Maintenance 4. Keeping Conducive Environment 5. Prudent Resource Utilization 6. Resources Mobilization

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	<p>Deputy Principal In Charge Of Administration, Finance And Planning</p> <p>BACHELOR OF TECHNOLOGY CIVIL AND STRUCTURAL ENGINEERING</p>	
4.	 <p>Mogotu Bonface Ag. Registrar (Bachelor of Science in Electrical</p>	<p>Mr Mogotu Bonface Momanyi ensures that term programmes, students who apply for courses in the institute meet the relevant requirements for admission. She is also in charge of marketing of institute courses to ensure increase in enrolment.</p>
5.	 <p>Dennis Boera Onchwari Ag. Dean of Student (Bachelor of Science in Comp. Science and Mathematics)</p>	<p>Mr. Dennis is the Dean of Students who is in charge of student affairs i.e. process boarding issues accommodation and disciplinary.</p>
5	<p>Mr. Chacha Jackson Maroa</p> 	<p>Mr Jackson is in charge of institution finances, preparing financial reports and give financial advisory to the institution.</p>

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	<p>Finance Officer Member of ICPAK</p>	
<p>6.</p>	<div data-bbox="325 439 839 887" data-label="Image"> </div> <p>Mwita Stephen Nyanswi Procurement Officer BPS (Procurement & Supply Chain Management)</p>	<p>Mr Mwita is in charge of institution procurement department and advises the institution on procurement related issues.</p>

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

5. Chairman's Statement

On behalf of Mabera Technical and Vocational College, I'm pleased to present the Annual Report and Financial Statements for the year ended 30th June 2025. These statements are prepared in conformity with the International Public Sector Accounting Standards (IPSAS) and International Accounting Standards (IASs).

Further, the statements incorporate the requirements of Article 81 of the public finance management Act, 2012 and the National treasury guidelines with regards to adoption of IPSAS. Despite the significant successes over the period, the college continued to face challenges including insufficient funding, inadequate infrastructure and staff. Despite all this Mabera Technical and Vocational College managed to buy training materials and do some projects. To improve its financial position, the college has embarked on implementing various austerity measures to monitor and rationalize its financial expenditures, as well, trying to talk with other stakeholders to help in construction of more classrooms and improve its income generating unit.



Washing points along the way



Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

More advance temporary leaning make-shift



Class session is on along the corridors'

.....
MR. JOSEPH BOKE MASIAGA – BOARD CHAIRPERSON
ON BEHALF OF BOARD OF GOVERNORS

6. Report of the Principal

It is my great pleasure to present the Annual Report and Financial Statements for the year ended 30th June, 2025. This has been a year of new challenges but also a year when the Mabera Technical and Vocational College achieved significant milestones.

Mabera Technical and Vocational College performance during the year under review is impressive despite being its maiden year since inception. The government capitation still remains as the institute's main source of income.

The college has continued with its core business of disseminating knowledge through, training and innovation. The current student population as at 30th June 2025 was 585 and is expected to increase to over 749 by the end of this year.

Development partners projects

Currently there is ongoing construction project that commenced in July 2025.

Income.

Mabera Technical and Vocational College earned Kshs **38,090,186**

Expenses

The college incurred Kshs **22,768,181** in recurrent expenses for the financial year 2024/2025.

Forest Cover



Washing points

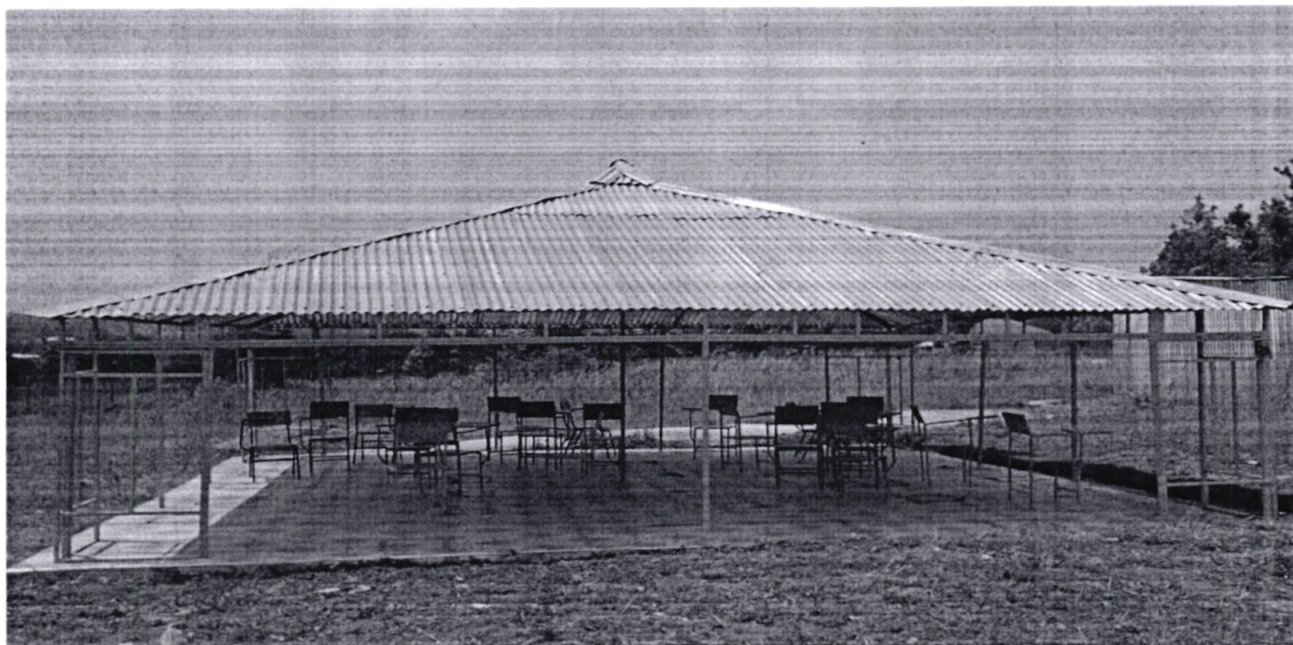
Mabera Technical and Vocational College has planted 6000 trees to combat climate change as per the government of Kenya transformation agenda



Various stakeholder during the event organised by student leaders of universities and colleges.

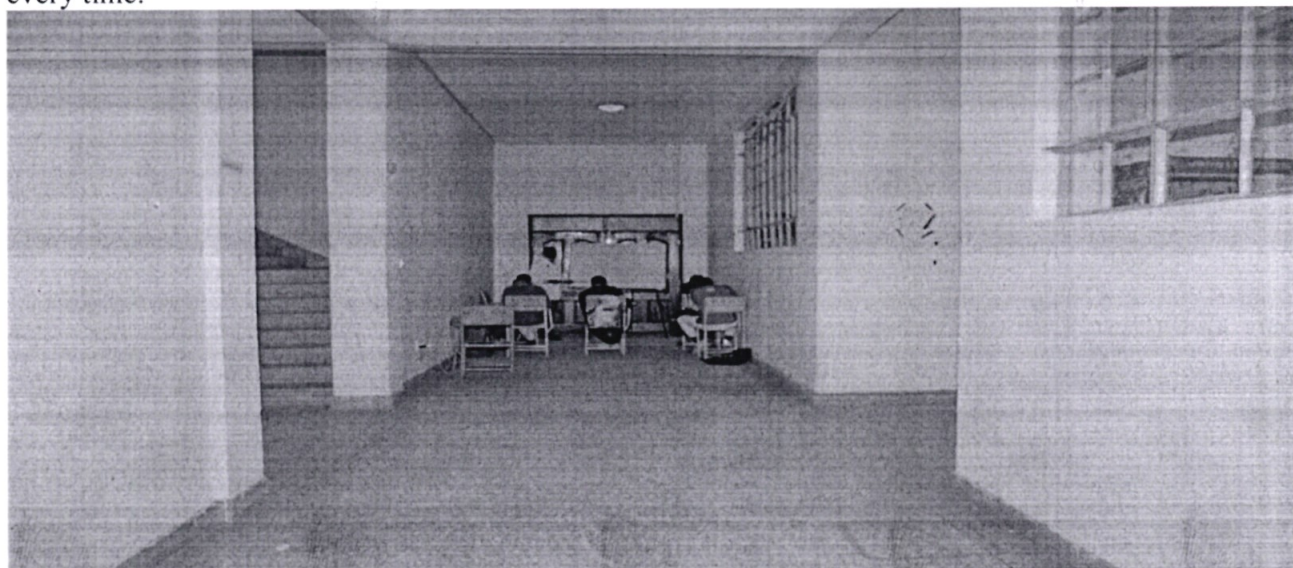


Students during agricultural practical lesson.



More advance temporary leaning make-shift

Mabera Technical and Vocational College decided to replace the roofing of the temporary learning structures which were tents with iron sheets this is because the area is prone of the strong winds which used to damage the tent roofing making it quite expensive to repair each and every time.



Class session is on along the corridors'

Due to inadequate classrooms to accommodate our growing students' numbers this has forced us to use corridors as learning places.

Mabera Technical And Vocational College
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**Three classroom Fully equipped-Constructed by NG-CDF board
Strategic Implementation**

Mabera Technical and Vocational College will adopt Strategic Reporting in 2022 and is implementing its Strategic Plan for 2024-2027. In acknowledging that the journey towards integrated thinking and reporting is one that requires a great deal of commitment from all who undertake it, the College is making an attempt to move towards incorporating the strategic plan objectives into its Integrated Reporting framework. This journey has begun to shape the way the institution describes what it does, and it is reinforcing conversations and discussions within departments and with stakeholders about our purpose and our plans for the short, middle and even long-term. The journey is also increasing transparency in reporting, is ensuring closer monitoring of our activities to measure the impact of our actions in the environment we are to operate through performance contract targets. Our management discussion and analysis on page 4 explains how we are shaped by our external environment as well as our vision and strategy, risks and opportunities and the interdependencies among key resources.

Conclusion

On behalf of Mabera Technical and Vocational College management and staff, I wish to take this opportunity to thank the Government, our Development partners and all Stakeholders for their continued support.

Finally, I would like to express my sincere gratitude for constituting the College Board of Governors to help provide, policy and strategic guidance, the entire college staff and students who have worked tirelessly to ensure smooth running of Mabera Technical and Vocational College.

Thank you.

.....
Beatrice A. Nyareki
PRINCIPAL/ C.E.O

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.

Mabera Technical and Vocational College had the following strategic pillars/issues/ themes and objectives in the FY 2024/2025.

Cultivate dynamic training experiences that evolve with the market demands. Mabera Technical and Vocational College cultivated its training experiences to the market demand dynamic, by focusing on trainings that goes with market trend both locally and globally.

Enhance students' enrolment and retention, Mabera Technical and Vocational College had devised on various ways of students enrolment and retention, since there is a lot of competition for other higher and tertiary learning institutions retaining students sometimes become a bit challenge Mabera has ensure that all the enrolled students get quality training, learning materials and conducive learning environment.

Advancing technical training through partnerships and alliances with external stake holders, Mabera Technical and Vocational College has been partnering and making alliances with stake holders to advance technical training through exchange of programmes with stakeholders.

Improve on the infrastructure and learning environment to strengthen Mabera Technical and Vocational College financial sustainability, currently there is a fully commissioned three class rooms within the compound of Mabera Technical and Vocational College this will accommodate the increase number of students and intern in the fees collection. Mabera Technical and Vocational College has bought modern training materials.

Utilize modern technology to improve operation processes and promote an environment of innovation. Mabera Technical and Vocational College has been encouraging both the trainees and trainers to take advantage of its modern infrastructures technology for innovation.

Retain a competent and motivated workforce, Mabera Technical and Vocational College has human resource policy that provides a guidelines on how to recruit, motivate and retain a competent staff. By this Mabera Technical and Vocational College has been able to recruit competent staff and retain them by providing them with a good working environment, recognising their effort and appreciating the employees this has made employees to remain loyal to the institution.

8. Corporate Governance Statement

Introduction

Mabera Technical and Vocational College is governed by Board of Governors and as per the TVET Act 2013. Which gives the Board of Governors all the necessary powers for the proper performance of its functions under the act and in particular, without prejudice to the generality of the foregoing, the board of governors shall have powers to:

- Manage, supervise, and administer the assets of the Institute in such a manner as best promotes the purpose for which the institute is established.
- Receive any grants, donations or endowments on behalf of the institution and make legitimate disbursements.
- Approval of the budgets, making policies and opening of bank accounts for the funds of the Institute.

Governance Principles.

It is our view that *governance* is not just a matter for the Board; a good governance culture must be percolated through the institute system. The current socio-economic, business and political environment in which the Institution operates, underscore the need for continued high standards of corporate governance and accountability.

The emerging realities unmasked with the promulgation and implementation of the new Constitution, an enlarged space for expression and a more enlightened clientele, calls for diligence in governance.

Mabera Technical and Vocational College is committed to good corporate governance, which promotes the long-term interests of the Government of Kenya and any other stakeholder, strengthens Board and management accountability and helps build public trust in the College.

The Board is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education, science and technology to oversee their interest in the long-term health and the overall success of the business and its financial strength in order to discharge its mandate in training. The Board serves as the ultimate decision-making body of the college, except for those matters reserved to or shared with the Government of Kenya. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the college in line with the Technical, Vocational, Education & Training Act of 2013 and the constitution of the Republic of Kenya.

The Board has established Corporate Governance Guidelines which provide a framework for the effective governance of the college. The guidelines address matters such as the Governing Board's Vision and mission, overall strategy, members' responsibilities, Board committee structure, recommendation of the Chief Executive Officer, Over-sighting the performance and evaluation of management. The Board regularly reviews developments in corporate governance and updates the Corporate Governance Guidelines and other governance materials as it deems necessary and appropriate.

The College's corporate governance materials, including the Corporate Governance Guidelines, the College's legal order, the terms and reference for each Board committee, the Institute's Codes of Business Conduct, information about how to report concerns about the college and the college's public policy engagement and technological contributions policy.

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Size and composition of the Board.

The board consists of nine (9) board members and the Principal as their Secretary who poses extensive experience in a variety of disciplines all of which are applied in the overall management of the institute. The board has the right balance of skills and experience appropriate for the requirements of the Institute, all members participate in the decision making and the board operated effectively during the year and continues to do so. (The board has two Organs, Committee with six members and Full Board with all the nine here the principal and the ministry of education representatives are the ex-official members.)

Board meetings.

The technical board meeting was as follows, committee meets four(4) times and full board five (5) times and Special Meetings took place two(2) in the just ended financial year. Members receive adequate notice and board papers in advance to enable them review and prepare for the meeting. The following table shows the number of Board meeting held during the financial year plus the attendance of individual Board members.

Financial year Board meetings

Summary of Both Board and Committee Meetings Held

Finance and Infrastructure

NAME	DATE INVITED TO ATTEND THE MEETING	Attendance
Stellah Kilwake	26/7/2024,7/10/2024,14/1/2025,10,4/2025	Attended all the 4
Eng John Kisyula	26/7/2024,14/1/2024,10,4/2025	Attended 3
Jane Nyasoro	26/7/2024,7/10/2024,14/1/2025,10,4/2025	Attended all the 4
Mrs. Beatrice Nyareki	26/7/2024,7/10/2024,14/1/2025,10/4/2025	Attended all the 4

EDUCATION COMMITTEE

NAME	DATE INVITED TO ATTEND THE MEETING	Attendance
Mary Gikuuri	25/07/2024,07/10/2024,8/01/2025,9/4/25,	Attended all the 4
Dr Peter Ouma	25/07/2024,07/10/2024,8/01/2025,9/4/25,	Attended all the 4
Jane Nyasoro	25/07/2024,07/10/2024,8/01/2025,9/4/25,	Attended all the 4
Mrs. Beatrice Nyareki	25/07/2024,07/10/2024,8/01/2025,9/4/25	Attended all the 4

Audit and Risk Committee

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NAME	DATE INVITED TO ATTEND THE MEETING	Attendance
Peter Ouma	25/07/2024,7/10/2024,8/1/2025,11/4/2025,	Attended All 4
Mary Motongori Gikuuri	25/07/2024,7/10/2024, 8/1/2025, 11/4/2025,	Attended All 4
Cicilia Isanda	25/07/2024,7/10/2024, 8/1/2025, 11/4/2025	Attended All 4
Callfax Nyanyuki	25/07/2024,7/10/2024, 8/1/2025, 11/4/2025,	Attended All 4

Full board Meeting

NAME	DATE INVITED TO ATTEND THE MEETING	Attendance
Joseph Masiaga	02/08/2024,11/10/24,15/01/25,14/04/25,	Attended all the 4
Mrs. Beartrice Nyareki		Attended all the 4
Stellah Kilwake		Attended 3
Mary Gikuuri		Attended all the 4
Cecilia Isanda Kokello		Attend all the 4
John Kisyula		Attended all the 4
Peter Ouma		Attended 4
Jane Nyasoro		Attended 3
Betty Samburu		Attended all the 3

Special Board Meeting

NAME	DATE INVITED TO ATTEND THE MEETING	Attendance
Joseph Masiaga	8/1/2025 Interview panel	✓
Mrs. Beartrice Nyareki	8/1/2025 Interview panel	✓
Mary Gikuuri	8/1/2025 Interview panel	✓
Cecilia Isanda Kokello	8/1/2025 Interview panel	✓
Jane Nyasoro	8/1/2025 Interview panel	✓

9. Management Discussion and Analysis

Financial Performance Review

In the financial year 2024/25, Mabera Technical and Vocational College started the financial year with a cash balance of Kshs., 342,447 and collected Kshs 11,000,000 from the Government as recurrent income (capitation),. The College collected Kshs 112,420 from sale of food, Kshs 26,539,716 inform of fees, and Income from other sources Mabera Technical and Vocational College received Kshs. 438,050. The national Ng-CDF constructed a three class room block which is now in use. These funds enabled the College to achieve several milestones including enhancement in infrastructural development, academic activities and refurbishment of its facilities. Am happy to inform you that the building is now being operationalized by the college where students' practical are being taken. The expansion of infrastructure has allowed admission of more students into the college which supports the government goal of expanding access to education. Mabera Technical and Vocational College at the end of the financial year there had no outstanding statutory as Mabera Technical and Vocational College complied with statutory requirements.

Student and Academic Matters

There were 585 students enrolled in various programs in the different department. This number is expected to rise to over 749 in FY 2024/2025 following the new admission of 164 students to the college.

Quality Education

Mabera Technical and Vocational College has reviewed, harmonized and developed new academic programmes in line with TVETA recommendations. All programmes have also been reviewed, harmonized and subjected to the internal quality assurance and control systems.

Governance

The College has ensured that staff and students participate in college governance through Students disciplinary Committee; cultural celebrations, and graduations. Students have also been facilitated with appropriate communication channels which include elected students' leaders

Co-curriculum Activities

Students have been supported to participate in co-curricular activities such as games and sports (volley ball, football, and athletics), music and drama festivals. Other activities include cultural weeks;

Human Resource Matters

On human resource matters, the college has a human resource office where matters concerning recruitments are being carried on. In the interest of employee development, the College has continued to facilitate both academic and administrative staff going for conferences, workshops, trainings and even further studies whenever possible.

Higher Education Funding

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Increasingly, TVET's are finding themselves over budgeted and underfunded; this is not only a local trend, but a global one. While the government has continued to be the major source of funding, it is clear that the College must strategize on how to raise additional funding. To improve on resources, board approved seed money to various income generating units. This has enable the college raise additional funding to supplement government capitation and also this one awaits government policy of IGU in TVET institutions.

Challenges

The number of students keeps on fluctuating as a result of students dropping out of school due to lack of school fee. Mabera Technical is also facing the financial difficulties inadequate finance to implement its budget fully this as a result of inadequate funding from government and HELB not allocating fund to students on time this leaves the college to operate ineffectively. Inadequate learning facilities is also posing a big challenge as administration had to create temporary class rooms along the corridors of the building and building temporary structures for learning.

Opportunities and risks facing Mabera Technical and Vocational College

Opportunities	Threats
Potential for collaboration & Linkages	Competition from other TVCS
High demand for technical skills	Rapid Technological changes
Centralized placement of new students by KUCCPS	Rapid changes of policy
Demand for short term courses	High cost of training in practical skills
Access to student loans & bursaries from H.E.L.B, county & NGCDF	Unpredictable job market
Government support	Formal employment culture in the society
	Lack of adequate land for expansion for agriculture and infrastructure expansion.
	Lack of play field.
Enabling legal & policy framework	Unfavourable economic changes
	cybercrime
	HIV/ AIDS drugs and substance abuse

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

Despite being new institution with limited resources Mabera Technical and Vocational College has achieved a lot and at the same time has faced a lot of challenges as most new institution normally face. Challenges such as inflation, inadequate political goodwill, inadequate TVET policies, and inadequate infrastructure. Despite all this challenges, Mabera Technical and Vocational College has been marketing itself to get more students by having many students Mabera Technical and Vocational College will receive more capitation funds from government its operations, also Mabera Technical and Vocational College has started income generating activities to supplement its income. Mabera Technical and Vocational College has increase number of course it offers to diversify opportunities to those who are seeking various training, Mabera Technical and Vocational College has also been participating and involving the community in its activities and also Mabera Technical and Vocational College has been co-operating with other institutions with similar cadre.

Environmental performance

Our research, teaching and activities are guided by our commitment to environmental sustainability. Mabera Technical and Vocational College partner with different stakeholders to protect the environment by planting trees, using environmentally friendly equipment's, materials and has a composite place for throwing wastes.

Employee welfare

Mabera Technical and Vocational College has developed its human resource policy which is in-line with Kenyan labour laws act 2007. Mabera Technical and Vocational College always follows the laws and procedures whenever they are hiring/recruiting their employees. This is normally done through competitive shortlisting and interview and the best candidate is selected after considering level of competency, education, gender, marginalised groups and regional balance. Mabera Technical and Vocational College often take its employees for training to improve their skills, appraisal is normally done and best employees being rewarded. Mabera Technical and Vocational College has put adequate safety and health measures to protect its employees from hazards.

Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Mabera Technical and Vocational College has been marketing itself by adhering to advertisement rules and regulations according to advertisement laws of the country. Mabera Technical and Vocational College has been ensuring that when it's advertising itself it involves some government agencies such as chiefs and assistant-chief to announce at barazas about Mabera Technical and Vocational College courses it offers.

b) Responsible Supply chain and supplier relations

Mabera Technical and Vocational College has a qualified procurement officer who advises the institution on procurement laws, how to get the best prices for institution and maintaining good relationship with suppliers

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

Mabera Technical and Vocational College has been ensuring that all of their adverts are within the rules and regulation.

d) Product stewardship or Awareness Creation

Mabera Technical and Vocational College has ensured that its goods and services meet the standard and are safe for consumption.

Corporate Social Responsibility / Community Engagements

Mabera Technical and Vocational College Corporate Social Responsibility (CSR) programs reflect the College commitment to operate in an environmentally sustainable and socially responsible manner. The programs support the College strategic vision and reassures that its activities are carried out ethically, sustainably and for the public good. The College aim to make a significant contribution to the communities and society through research, education and a wide range of activities undertaken by staff, students and alumni.

In the FY 2024/25, the following Corporate Social Responsibilities were undertaken:

Health Care

The College enrolled all staff to NHIF medical Scheme.

Mabera Technical and Vocational College strategy for social responsibility includes a commitment to pursue change across the following priority areas:

Teaching & Learning

Mabera Technical and Vocational College is committed to ensuring relevance in the teaching and learning process through the development and installation of an e-learning portal.

Research with impact

Our research is making a positive difference to society, addressing the major challenges of the 21st century.

Socially responsible graduates

Through establishing and strengthening existing collaborations and linkages, our graduates are learning to exercise ethical, social and environmental responsibility.

Engaging our communities

Our events and activities are harnessing our knowledge, resources and visitor attractions for the benefit of our communities. Examples of events & activities include Sports day, Open day and National day events.

Responsible processes

Our processes are balancing efficiency with opportunities to create social and environmental benefit.

Environmental sustainability

Our research, teaching and activities are guided by our commitment to environmental sustainability.

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We also have a number of Technological areas for our research, teaching, community engagement and processes, allowing us to focus and measure our efforts in making a difference to society.

11. Report of the Board of Governors

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

Principal activities

The core mandate of Mabera Technical & Vocational College is to offer training to Students in technical courses and entrepreneurship courses as per the industry needs and examined by KNEC.

And CBET CDAC

Results

The results of the Mabera TVC for the year ended June 30 2025 are set out on page

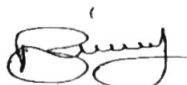
Board of Governors

The members of the Board who served during the year are shown on page x to page xiii. During the year 2024/2025.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Mabera

Date: 25/08/2025

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12. Statement of Board of Governors' Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - (entities should quote the applicable legislation under which they are regulated)) require the council members to prepare financial statements in respect of that *entity*, 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 Mabera TVC for that year/period. The council members are also required to ensure that Mabera TVC keeps proper accounting records which disclose with reasonable accuracy the financial position of Mabera TVC. The council members are also responsible for safeguarding the assets of Mabera TVC.

The council members are responsible for the preparation and presentation of Mabera Technical and Vocational College financial statements, which give a true and fair view of the state of affairs of Mabera Technical and Vocational College for and as at the end of the financial year 2024/2025 ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Mabera TVC; (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 Mabera Technical and Vocational College (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The council members accept responsibility for the Mabera Technical and Vocational College financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*). The board members are of the opinion that the Mabera Technical and Vocational College financial statements give a true and fair view of the state of Mabera Technical and Vocational College transactions during the financial year ended June 30, 2025, and of the Mabera Technical and Vocational College financial position as at that date. The council members further confirm the completeness of the accounting records maintained for the Mabera Technical and Vocational College, which have been relied upon in the preparation of the Mabera Technical and Vocational College financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the council members to indicate that Mabera Technical and Vocational College will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The financial statements were approved by the Board on 07, April 2025 and signed on its behalf by:

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025



.....
Chairman of Board

.....
Principal

Date 25-08-2025

Date 25-08-2025

REPUBLIC OF KENYA



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MABERA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Mabera Technical and Vocational College set out on pages 1 to 50, which comprise of the statement of financial position as at 30 June, 2025, and the statement financial performance, 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 Mabera Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0. Non-Compliance with Financial Reporting Framework and Inaccuracies in the Financial Statements

Review of the financial statements revealed the following anomalies:

- i. The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.27,241,469 which differs with the re-computed balance of Kshs.37,208,124 (calculated as shown below), resulting in an unreconciled variance of negative Kshs.9,966,655:

Particulars	Amount (Kshs.)
Receivables from exchange transactions balance as at 30 June, 2024	30,257,260
<i>Add: Rendering of services-fees from students earned in 2024/2025– Statement of financial performance</i>	26,539,716
<i>Less: Rendering of services received in 2024/2025 - Statement of cash flows</i>	(19,588,852)
Re-Computed receivables from exchange transactions balance as at 30 June, 2025	37,208,124

- ii. The statement of financial position reflects total current liabilities balance of Kshs.17,806,058, while re-computation gives a balance of Kshs.18,914,096 (calculated as shown below), resulting in an unreconciled variance of negative Kshs.1,108,038:

Particulars	Amount (Kshs.)
Current liabilities balance as at 30 June, 2024	18,649,313
<i>Add: Total expenses incurred in 2024/2025– Statement of financial performance</i>	22,768,181
<i>Less: Total payments made in 2024/2025 - Statement of cash flows</i>	(22,503,398)
Re-Computed current liabilities balance as at 30 June, 2025	18,914,096

- iii. The statement of changes in net assets reflects a negative amount of Kshs.11,082,525 against fair value adjustments on quoted investments. However, although the item is uncommon, no note was included to explain what the amount relates to, contrary to the requirements of the reporting template. Further, the statement reflects an amount of Kshs.5,322,005 as total comprehensive income, instead of surplus for the year.
- iv. The statement of comparison of budget and actual amounts reflects differences between actual and budgeted amounts (10% over/ under) against all receipt and payment items, whose explanations have not been provided as budget notes as required. Additionally, the statement indicates Utilisation percentages (%) in the last column, contrary to the prescribed template which requires the column to show utilization difference (%). Further, the statement indicated utilization % of 107% against total income, instead of the re-computed 56%.
- v. The budget reconciliation reflects cash and cash equivalents as per the statement of cash flows of Kshs.342,447, while the statement of cash flows shows Kshs.8,595,253, resulting in unexplained variance of negative Kshs.8,252,806. Further, the reconciling amounts are described as lack of funds, late disbursement of funds, failure to pay fees on time and lack of customers to buy from our restaurant, which were not supported.
- vi. As disclosed in Note 6 to the financial statements, the College received a conditional (development) grant of Kshs.10,000,000 towards the construction of Hospitality Block. However, the amount is erroneously reported in Appendix III on inter-entity confirmation letter as recurrent grant.
- vii. Note 18(A) to the financial statements on property, plant and equipment was not prepared using the format provided in the prescribed reporting template. Further, the Note includes dates such as 30 September, 1 October, 1 January, and 1 December, which are not provided for in the prescribed template.
- viii. Note 22 to the financial statements on cash generated from operation apparently reconciles surplus for the period of Kshs.5,322,005 reported in the statement of financial performance and net cash flows from operating activities amount of Kshs.8,276,506 reflected in the statement of cash flows. However, the amount of Kshs.8,276,506 differs with the re-cast amount of negative Kshs.1,723,494, resulting in an unexplained variance of Kshs.10,000,000. Further, included in the reconciling items are a decrease in inventories amount of Kshs.42,568 which shown as cash outflow instead of cash inflow, decrease in deferred income amount of Kshs.10,676,089 which is not supported by the financial statements and increase in refundable deposits of Kshs.148,800 reported as cash outflow instead of cash inflow.

In the circumstances, the accuracy and fair presentation of the financial statements could not be confirmed.

2.0. Use of Goods and Services

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects use of goods and services amount of Kshs.12,650,886 whose audit revealed the following anomalies:

2.1. Unsupported School Equipment and Stores Amount

The amount of Kshs.12,650,886 includes school equipment and stores amount of Kshs.3,171,286 which further includes Kshs.1,230,749 whose supporting cheque numbers, quotations to prequalified suppliers for competitive bidding and the inspection committee reports indicating that the items procured adhered to the required quantity and the specification were not provided for audit. Further, the items procured were not taken on charge on a store's ledger cards/bin card.

2.2. Unsupported Administrative Costs

Included in the use of goods and services amount is administrative costs amount of Kshs.2,480,210 which further includes Kshs.644,920 whose quotations from prequalified suppliers and legal basis for making the payments were not provided for audit.

In the circumstances, the accuracy, completeness and propriety of the expenses of Kshs.1,875,669 could not be confirmed.

3.0. Unsupported Property, Plant and Equipment Balance

The statement of financial position and as disclosed in Note 18(a) to the financial statements reflects property, plant and equipment balance of Kshs.105,081,850. However, although Management maintained and provided a non-current asset register for audit review, important details such as asset tagging, serial/log book number, location, opening balances, additions, dates of acquisitions, disposals, depreciation charged, accumulated depreciation to date and net book value of the assets were omitted. This was contrary to Regulation 136(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.105,081,850 could not be confirmed.

4.0. Unconfirmed Cash and Cash Equivalents Balance

The statement of financial position reflects cash and bank equivalents balance of Kshs.8,595,253 as disclosed in Note 15(a) to the financial statements. The balance includes Kshs.15,049 held in a Kenya Commercial Bank account. However, the supporting bank reconciliation statement, cash book, bank statements and certificate of balance were not provided for audit.

In the circumstances, the accuracy and completeness of the balance of Kshs.15,049 could not be confirmed.

5.0. Long Outstanding Accounts Receivables from Exchange Transactions

The statement of financial position, and as disclosed in Notes 16(a) to the financial statements, reflects current receivables from exchange transactions balance of Kshs.27,241,469 out of which, Kshs.26,802,186 had been outstanding for over three (3) years. Further, analysis of the College's detailed ageing analysis revealed that receivables totalling Kshs.3,610,686 were outstanding from students who had either completed their courses or were no longer studying in the College. In addition, although the College had a debt collection policy in place, Management had not enforced debt collection measures therein.

In the circumstances, the accuracy and recoverability of the receivables from exchange transactions balance of Kshs.27,241,469 could not be confirmed.

6.0. Unconfirmed Valuation of Inventories

The statement of financial position reflects inventories balance of Kshs.796,801 as disclosed in Note 17 to the financial statements. Review of the supporting documentation and related stores ledgers revealed that the inventories were recorded in the books of accounts at cost. However, Management had not determined the realizable values of the inventories, contrary to IPSAS 12, which requires the reported balance to be the lower of cost and net receivable value. It was also noted that the stores ledgers were not updated and the balance indicated could not be traced to the stock cards.

Further, the inventory and stock taking report for the year under review was not provided for audit, contrary to Section 162(2) of the Public Procurement and Asset Disposal Act, 2015, which requires the Head of Procurement Function to arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the Accounting Officer.

In the circumstances, the accuracy and completeness of the reported inventories balance could not be confirmed.

7.0. Unsupported Trade and Other Payables from Exchange Transactions

The statement of financial position, and as disclosed in Note 19 to the financial statements, reflects trade and other payables from exchange transactions balance of Kshs.4,153,332 which had been outstanding for over three (3) years, contrary to the provisions of Regulation 42(1)(b) of the Public Finance Management (National Government) Regulations, 2015. Management did not demonstrate measures put in place to ensure that outstanding bills are paid in time to avoid further accumulation and the possibility of payment of interest and/or penalties on the unpaid amounts.

Further, included in the balance is third-party payments balance of Kshs.1,138,255 which has neither been explained nor supported by ledgers. In addition, creditor's movement schedule indicating how the balance had accumulated over the years was not provided for audit.

Failure to settle payables may result in suppliers withholding the supply of goods, supplies and pharmaceutical items and hence adversely affect service delivery.

In the circumstances, the accuracy and completeness of the reported trade and other payables from exchange transactions balance could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of Budget and actual amounts reflects total revenue budget and actual on comparable basis amounts of Kshs.55,913,434 and Kshs.31,122,351 respectively, resulting in underfunding of Kshs.24,791,083, or 44% of the budget. Similarly, out of the actual revenue of Kshs.31,122,351, the College spent Kshs.22,257,098, resulting in underutilization of Kshs.8,595,253, or 28%.

The underfunding and underutilization affected planned activities and may have adversely impacted service delivery to the students of the College.

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the College in 2024/2025 revealed that the matters listed in **Appendix 1** remained unresolved.

Other Information

The Management is responsible for the Other Information set out on page iv to xxiv which comprises Key Constituency Information and Management, Chairman's Statement, Report of the Chief Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environment and Sustainability Reporting Statement, and Report of the Council/Board of Governors and Statement of Board of Governors/ Council Members' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0. Incomplete Proposed Construction of Hospitality Block

Review of records revealed that the Ministry of Education, State Department for Technical, Vocational Education transferred Kshs.10,000,000 to the College for the construction of Hospitality Block. The College in an advertisement requested for interested bidders to tender for the project. Tender evaluation documents indicated that seven (7) bidders submitted their bids and the Tender Committee awarded the contract to a local contractor at a contract sum of Kshs.9,983,994. The commencement date was 30 June, 2025, the contract period was twenty-four (24) weeks and the expected completion date was 15 December, 2025.

Records provided for audit indicated that the whole of contract sum and 50% moiety totalling Kshs.9,508,448 had been paid to the contractor. However, project verification in the month of October, 2025 revealed the following anomalies.

- i. The project was incomplete and the contractor was not on site.
- ii. Sign board indicating the details of the contractor, source of funding and approvals from the relevant authorities had not been erected.
- iii. Hoarding to secure the site and enhance safety, security and privacy had not been erected.
- iv. The reinforcements to the first-floor slab had settled indicating that concrete works had not been sufficiently supported, casting doubt on the structural soundness of the project.

In the circumstances, the value for money realized from the expenditure of Kshs.9,508,448 on the project could not be confirmed.

2.0. Collection of Revenue Outside E-Citizen Platform

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects rendering of services-fees from students revenue of Kshs.26,539,716. However, review of records provided and the mechanisms used for the collection of revenue revealed that the College was yet to be enlisted on the E-Citizen platform and obtain payment code number from the National Treasury.

In the circumstances, Management was in breach of the law, and the effectiveness of internal controls over invoicing and collection of fees could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1.0. Lack of Sufficient Details in the General Ledgers/Support Schedules

The statement of financial performance reflects total revenue of Kshs.38,090,186 and total expenses amount of Kshs.22,768,181. However, the supporting ledger/schedules provided for audit lacked relevant details such as dates of transactions, narrations of

activities undertaken and vote heads in respect of which expenditures were budgeted and charged.

In the circumstances, the effectiveness of internal controls over maintenance of financial records could not be confirmed.

2.0. Lack of an Approved Staff Establishment and Human Resources Governing Instruments

Review of records revealed that the College did not have an approved staff establishment. The absence of an approved staff establishment indicated that the College had not determined the skills and optimal staffing levels required to achieve its goals and objectives. Additionally, there was no evidence that the College had prepared a human resource plan based on a comprehensive job analysis.

Further, review of the College's unapproved staff establishment revealed a personnel shortfall of seventy-three (73) teaching staff and thirty-five (35) non-teaching staff. The College also lacked a bus driver and a qualified store keeper, despite the urgency of the teaching program offered requiring learners to undertake their national exams online. As a result, it was not possible to ascertain whether the total staff employed by the College was at the optimal operating level and how key decisions regarding employees were made without an approved human resource policy.

In the circumstances, the effectiveness of internal controls, risk management and governance in the College could not be confirmed.

3.0 Failure to Operationalize Risk Management Policy and Framework

The Maberu Technical and Vocational College had an approved risk management policy. However, there was no evident showing the operationalization of the same policy like the risk register, risk assessment reports, mitigation measures taken and mapping future risk forecasts and a disaster recovery plan.

Failure to operationalize IT internal controls policies, Risk Management Policy and Framework, disaster recovery plan and retention strategy put the College at risk of losing essential data and information.

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

4.0 Lack of Internal Audit Function

During the financial year under review, it was observed that the College did not have an Internal Audit department as required by Regulation 162(2) of the Public Finance Management (National Government) Regulations, 2015. Further, there were no internal audit reports on the state of risk management, control and governance within the College. In addition, there were no approved Internal Audit workplan and Internal Audit charter.

In the circumstances, the effectiveness of internal controls and risk management in the College could not be confirmed.

5.0 Ineffective Audit Committee

Review of records revealed that although the College had an audit committee appointed on 8 April, 2022, the Committee never held any meeting during the year under review, contrary to the provisions of Regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015.

Further, the Committee did not carry out any annual review of the independence, performance, and competency of the internal audit unit, contrary to the provisions of Regulation 166(1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the effectiveness of internal controls, risk management and governance in the College could not be confirmed.

6.0 Lack of Staff Training Needs Assessment and Development Plan

Review of staffing records and documentation revealed that the College did not conduct an annual staff training needs assessment that would have culminated into its annual staff training and development plan. This was contrary to its own human resource manual.

In the circumstances, the effectiveness of Human Resource Management could not be confirmed.

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

Responsibilities of Management and Board of Governors

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 November, 2025

APPENDICES

Appendix 1: Unresolved Prior Year Matters

Review of the status during audit of the College in 2024/2025 revealed that the following matters remained unresolved:

S/No.	Financial Year	Audit Issue
1	2023/2024	Misstatement of Revaluation Gain
2	2023/2024	Misstatement of Utilization Difference Amounts for Expenditure
3	2023/2024	Lack of Sufficient Details in the General Ledgers/Support Schedules
4	2023/2024	Unsupported School Equipment and Stores Expense
5	2023/2024	Unsupported Administrative Costs
6	2023/2024	Unsupported and Irregularities in Local Transport and Travelling Expenses
7	2023/2024	Long Outstanding Receivables from Exchange Transactions
8	2023/2024	Unsupported Inventories Balance
9	2023/2024	Unconfirmed Property, Plant and Equipment (PPE) Balance
10	2023/2024	Unsupported Refundable Deposits from Customers/Students Balance
11	2023/2024	Non-compliance with the Prescribed Reporting Framework
12	2023/2024	Budgetary Control and Performance
13	2023/2024	Long Outstanding Trade and Other Payables
14	2023/2024	Non-compliance with the Law on Ethnic Diversity in Staffing
15	2023/2024	Staff Establishment – Shortage in Staffing Levels
16	2023/2024	Receipt of Goods Without Inspection and Acceptance Committee
17	2023/2024	Inconsistent Audit Committee Meetings and Lack of Internal Audit Function
18	2023/2024	Weak IT Internal Controls

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

	Note	2024/2025	2023/2024
		KShs	KShs
Revenue from non-exchange transactions			
Transfers from other National Government entities	6	1,000,000	13,879,603
		1,000,000	13,879,603
Revenue from exchange transactions			
Rendering of services- fees from students	7	26,539,716	21,005,161
Production Unit	8	112,420	35,580
Other income	9	438,050	1,166,296
		27,090,186	22,207,037
Total revenue		28,090,186	36,086,640
Expenses			
Use of Goods and Services	10	12,650,886	17,011,567
Employee costs	11	6,133,665	8,051,507
Board Expenses	12	1,636,998	1,992,996
Depreciation and amortization expense	13	1,798,222	1,927,528
Repairs and maintenance	14	548,410	641,000
Total expenses		22,768,181	29,624,598
Other gains/(losses)			
Gain on sale of assets		0	-
Impairment loss		0	-
Surplus for the period		5,322,005	6,462,042

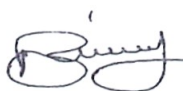
(The notes set out on pages 8 to 41 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 7 were signed by:



.....
Chairman of Board

Date 25/08/2025



.....
Principal

Date 25/08/2025



.....
Finance Officer
ICPAK No. 26102

Date 25/08/2025

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

		2024/2025	2023/2024
	Note		
Assets		KShs	KShs
Current assets			
Cash and cash equivalents	15	8,595,253	342,447
Current portion of receivables from exchange transactions	16(a)	27,241,469	30,257,260
Inventories	17	796,801	839,369
Total Current Assets		36,633,523	31,439,076
Non-current assets			
Property ,plant and equipment	18	105,081,850	106,880,072
		105,081,850	106,880,072
Total assets(A)		141,715,373	138,319,148
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	19	4,153,332	5,051,891
Refundable Deposits from Customers/Students	20	1,027,200	878,400
Payments received in advance	21	12,625,526	12,719,022
Total current liabilities		17,806,058	18,649,313
Non-current liabilities			
Total liabilities(B)		17,806,058	18,649,313
Net assets(A-B)		123,909,315	119,669,835
Represented By:			
Accumulated Surplus		2,577,632	(2,744,373)
Capital Reserve		137,173,160	127,173,160
Revaluation Reserve		(15,841,477)	(4,758,952)
Net Assets		123,909,315	119,669,835

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025



.....
Chairman of sBoard

Date 25/08/2025



.....
Principal

Date 25/08/2025



.....
Finance Officer
ICPAK No.26102

Date 25/08/2025

Mabera Technical And Vocational College
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16. Statement of Changes in Net Asset for The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Fund	Total
At July 1, 2023	-	(9,206,414)	127,173,160	117,966,746
Revaluation gain	(4,758,952)	-	-	(4,758,952)
Fair Value adjustments on quoted investments	-	-	-	-
Total Comprehensive income	-	6,462,041	-	6,462,041
At June 30, 2024	(4,758,952)	(2,744,373)	127,173,160	119,669,835
At July 1, 2024	(4,758,952)	(2,744,373)	127,173,160	119,669,835
Capital Project	-	-	10,000,000	10,000,000
Fair Value adjustments on quoted investments	(11,082,525)	-	-	(11,082,525)
Surplus for the Year	-	5,322,005	-	5,322,005
At June 30, 2025	(15,841,477)	2,577,632	137,173,160	123,909,315

Mabera Technical And Vocational College
Annual Report and Financial Statements for the year ended 30th June 2025

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

	Note	2024/2025	2023/2024
		Shs	Shs
Cash flows from operating activities			
Receipts			
Rendering services		19,588,852	10,877,010
Other income		78,633	1,166,296
Transfer from GOK- Capitation. HELB & Bursary		11,000,000	13,879,603
Production Unit		112,420	35,580
Total Receipts		30,779,904	25,958,489
Payments			
Compensation of employees		7,474,331	7,391,490
Use of goods and services		13,212,656	17,011,567
Repairs Maintenance Expenses		179,413	472,250
Remuneration of Board Members		1,636,998	1,992,996
Total Payments		22,503,398	26,868,303
Net Cash Flows from operating activities	22	8,276,506	-909,814
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets-WIP		(23,700)	0
Proceeds from sale of property, plant and equipment		-	0
Net cash flows used in investing activities		(23,700)	0
Cash flows from financing activities			
Proceeds From Borrowing		-	0
Repayment Of Borrowings		-	0
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash and cash equivalents		8,252,806	-909,814
Cash and Cash equivalents at 1 JULY 2024		342,447	1,252,261
Cash and Cash equivalents at 30 JUNE 2025	15	8,595,253	342,447



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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Percentages
					Variance	
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	342,447	342,447	342,447	0	0
Revenue						
Transfer from National Government-Grant	29,700,000	-	29,700,000	1,000,000	28,700,000	3
Rendering of Services Fee from students	25,449,387	-	25,449,387	19,588,852	5,860,535	77
Production Unit	421,600	-	421,600	112,420	309,180	27
Development Grant		-	-	10,000,000	(10,000,000)	0
Other Income		-	-	78,633	(78,633)	0
Total Income	55,570,987	342,447	55,913,434	31,122,351	24,791,083	107
Expenditure						
Use of goods and services	38,284,017	-	38,284,017	13,212,656	25,071,361	35
Employee Costs	8,652,000	-	8,652,000	7,474,331	1,177,669	86
Board Expenses	3,035,970	-	3,035,970	1,636,998	1,398,972	54
Repairs and maintenance	2,199,000	-	2,199,000	179,413	2,019,587	8
Total Expenditure Payments	52,170,987	-	52,170,987	22,503,398	29,667,589	43

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



Capital Expenditure Payments	3,400,000	-	3,400,000	23,700	3,376,300	1
Surplus	0	0	0	8,595,253	-8,252,806	12

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	8,595,253
1	Late disbursement of funds	28,700,000
2	Students failure to pay fees on time	5,860,535
3	Lack of customers to buy food from our restaurant	309,180
4	Lackof Funds	(10,000,000)
5	Lackof Funds	(78,633)
6	Lackof Funds	(25,071,361)
7	Lackof Funds	(1,177,669)
8	Lackof Funds	(1,398,972)
9	Lackof Funds	(2,019,587)
10	Lackof Funds	(3,376,300)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	342,447



19. Notes to the Financial Statements

1. General Information

Mabera Technical and Vocational College 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. Mabera TVC principal activity is training.

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 Mabera Technical and Vocational College accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Mabera Technical and Vocational College

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)

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2020, it is applicable in Kenya from 1st July 2024)

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

There are no new and amended standards issued in the financial year.

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. NO IMPACT
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. NO IMPACT
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be



	<p>recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>NO IMPACT</p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025</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> <p>IMPROVED MEASUREMENT</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</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> <p>PROPER ANALYSIS OF REVENUES WITH EASE</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>NO IMPACT</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>



	NO IMPACT
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p>NOT RELEVANT</p>

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. 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

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.

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

The original budget for FY 2024/2025 was approved by the Council or Board on 4 April 2024. There were no subsequent revisions or additional appropriations made to the approved budget. 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, since there were no revisions the MTVC did not record additional appropriations on the FY 2024/2025 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 actuals as per the statement of financial performance has been presented under section *one* of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule *first* of the *income tax* Act.

c) Taxes (continued)

Sales tax/ Value Added Tax

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 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 *xxx* 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.

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition 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.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income account during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve account. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the Statement of Comprehensive Income account. Each year the difference between depreciation charged based on the revalue carrying amount of the asset (the depreciation charged to the Statement of Comprehensive Income account) and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

i) Depreciation

Depreciation on assets is calculated using reducing balance method to write down their cost or revalue amounts to their residual values over their estimated useful lives using the following rates:

ii) Impairment



Assets are periodically reviewed for impairment. Where the carrying amount of an asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount.

ASSET	DEPRECIATION PERCENTAGE
Land	-
Learning Materials	-
Buildings	3.4
Office equipment	3.5
Computers and related equipment	1.5
Tool & Equipment	3.4
Furniture, and fittings	3.4
Kitchen Ware	3.4
Machinery and Equipment	10.3

iii) Gain/loss on disposals

Gains and losses on disposals of assets are determined by reference to their carrying amount and are taken into account in determining the surplus (deficit) for the year.

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.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 at the rate of 25% on a reducing balance 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

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.

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.

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. Losses arising from impairment are 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:

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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

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.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) 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.

l) 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.

m) 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.

n) 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.



4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o) 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.

p) 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.

q) Cash and cash equivalents

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

r) Comparative figures

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

s) 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, 2022.



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 Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material. (This financial year MTVC did not provide for the provisions).



6. Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfer from the National Government-grants/gifts in Kind		
Unconditional grants		
Capitation grant		
Operational grant	1,000,000	13,879,603
Other		
Total unconditional Grants	1,000,000	13,879,603
Conditional grants		
Hospitality Bock Grant	10,000,000	0
National infrastructure grant		0
Social services grant		0
Other organizational grants		0
		0
Total government grants and subsidies	11,000,000	13,879,603

6. (a) Transfers from other National Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2024/2025
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	1,000,000	0	10,000,000	0	11,000,000
Total	1,000,000	0	10,000,000	0	11,000,000

7. Rendering of Services- Fees from Students

Description	2024/2025	2023/2024
	Kshs	Kshs
Tuition fees	16,627,421	9,654,213
Activity fees	981,000	1,215,392
Industrial attachment fee	627,000	1,104,500

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Examination fee	1,734,055	1,264,774
Personal Emoluments	3,356,360	3,466,727
E, W & C	953,740	1,272,117
L,T & T	948,460	1,261,977
R,M & I	770,780	877,261
Practical fee	167,000	483,500
KUCCPS Fee	9,500	165,000
TVETA Fee	86,000	59,000
Exam -NITA	-	8,500
Boarding fee	-	0
Student Council	278,400	172,200
Total revenue from the rendering of services	26,539,716	21,005,161

8. Production Unit

Description	2024/2025	2023/2024
I.C.T- Computer Packages	17,500	
Hospitality-Sale of food & Saloon	3,000	35,580
Automotive-Driving School	91,920	
Total revenue from Production Unit	112,420	35,580

9. Miscellaneous Income

	2024/2025	2023/2024
Description	Kshs	Kshs
Insurance recoveries		
Application fee	312,500	44,200
Student ID	86,000	57,500
Insurance and Assessment tools	39,550	0
Supplementary paper	0	0
CBATraining	0	1,064,596
Miscellaneous	0	0
Total other income	438,050	1,166,296

10. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
School Equipment and Store	3,171,286	3,817,572
Industrial attachment costs		
Electricity, Water & Conservancy	360,000	400,000

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Administrative Cost	2,480,210	2,962,791
Security Services	504,000	1,064,000
Contingency		
Student Council activities		367,900
Sports equipment and Sporting Activities	104,000	228,650
Examination expenses	2,638,660	2,356,480
Performance Contracting		
Locational Transport and Travelling	3,386,230	5,814,175
Insurance	6,500	
Total good and services	12,650,886	17,011,567

11. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	6,133,665	8,051,507
Housing benefits and allowances		
Overtime payments		
Performance and other bonuses		
Employee costs	6,133,665	8,051,507

12. Board Expenses

Description	2024/2025	2023/2024
	Ksh	Ksh
Chairman's Honoraria	120,000	396,000
Other Board Member emoluments	1,244,998	1,596,996
Chairman Emoluments	272,000	
Total B.O.G emoluments	1,636,998	1,992,996

13. Depreciation and Amortization Expense

Description	2024/2025	2023/2024
	Kshs	Kshs
13 Depreciation and amortization expense		
Property, plant and equipment	1,798,222	1,927,528
Intangible assets		
Total depreciation and amortization	1,798,222	1,927,528



14. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Property		
Equipment and machinery	55,610	162,200
Furniture and fitting		
Computers and accessories		
General expenses	14,000	
Internet services	478,800	478,800
Total repairs and maintenance	548,410	641,000

15 (a) Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current account	8,595,253	342,447
On - call deposits		
Fixed deposits account		
Staff car loan/ mortgage		
Others(specify)		
Total cash and cash equivalents	8,595,253	342,447

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

			2024/2025	2023/2024
Financial institution	Account number		Kshs	Kshs
a) Current account				
Kenya Commercial bank No 1	1259535096		8,499,764	327,398
Kenya Commercial bank No 2	1157953190		15,049	15,049
Sub- total			8,514,813	342,447
e) Others(specify)				
Cash in transit			-	
Petty Cash		-		
Imprest		-		
cash in hand			80,440	
M pesa			-	
Sub- total			80440	



Grand total			8,595,253	342,447
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16. Current receivables From Exchange Transactions

	2024/2025	2023/2024
	Kshs	Kshs
16 Receivables from exchange transactions		
16 (a) Current portion of receivables from exchange transactions		
Student debtors	27,241,469	30,257,260
Prepayments	-	0
Other Exchange debtors	-	0
HELB	-	0
Imrest Account	-	
Bursary	-	0
Total Current portion of receivables from exchange transactions	27,241,469	30,257,260

16 (a) Ageing Analysis of Receivables from Exchange transactions

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	439,283	100	6,386,920	21
Between 1- 2 years	0	0%	999,920	3
Between 2-3 years	0	0%	2,875,815	10
Over 3 years	26,802,186	0%	19,995,205	66
Total (a+b)	27,241,469	100	30,257,260	100

16 (b) Reconciliation for impairment Allowance on Receivables from Exchange Transactions



Description	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	30,257,260	20966333
Provisions during the year	0	9,290,927
Recovered during the year	3,015,791	0
Write offs during the year	0	0
At the end of the year	27,241,469	30,257,260

17. Inventories

	2024/2025	2023/2024
Description	Kshs	Kshs
Consumable stores	796,801	839,369
Total inventories at the lower of cost and net realizable value	796,801	839,369



18 (A) Property, Plant And Equipment

	Buildings	Land	Lerning Materials	Office Equipments	Tools and Equipments	Furniture and Equipme nt	Compute rs	Compute r software	Bore hole	Warter Tank	Fence	Merchine ry & Equipme nts	Kitchen ware	Total
Depreciation rate	1.70%	0		1.75%	1.70%	1.70%	0.75%					5.15%	1.70%	
18(a) Property, plant and equipment														
At 1st July 2023	68,000,000	8,000,000	215,600	357,500	2,156,100	5,490,900	2,175,100					5,349,800	11,062,600	102,807,600
At 1 July 2023														
Depreciation	2,266,668	0	-38,220	11,916	71,872	183,032	181,260	590,625	0	0	0	87,812	368,752	3,723,717
Impairment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer/adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
At 30 September 2023	65,733,332	8,000,000	253,820	345,584	2,084,228	5,307,868	1,993,840	-590,625	0	0	0	5,261,988	10,693,848	99,083,883
At 1st October 2023	65,733,332	8,000,000	253,820	345,584	2,084,228	5,307,868	1,993,840	-590,625	0	0	0	5,261,988	10,693,848	99,083,883
Depreciation and impairment														
At 1 July 2023	0	0	0	0	0	0	0	0	0	0	0	0	0	0
At 1 June 2023			0						0	0	0			
Depreciation	566,667	0	0	2,979	17,968	45,758	45,315	0	0	0	0	136,066	92,188	906,941
Impairment														
Transfer/adjustment														
Property, plant and equipment														
At 31 December 2023	65,166,665	8,000,000	253,820	342,605	2,066,260	5,262,110	1,948,525	-590,625	0	0	0	5,125,922	10,601,660	98,176,942

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At 1 January 2024	65,166,665	8,000,000	253,820	342,605	2,066,260	5,262,110	1,948,525	-590,625	0	0	0	5,125,922	10,601,660	98,176,942
At 1 January 2024	0	0	-	0	0	0	0	0	0	0	0	0	0	0
At 1 December 2023									0	0	0			
Depreciation	566,667	0	-	2,979	17,968	45,758	45,315	0	0	0	0	136,066	92,188	906,941
Impairment	0	0	-	0	0	0	0	0	0	0	0	0	0	0
Transfer/adjustment	0	0	-	0	0	0	0		0	0	0		0	0
Property, plant and equipment														
At 31 Dec 2023	72,000,000	10,000,000	215,600	357,500	2,156,100	5,490,900	2,175,100	0	0	0	0	5,349,800	11,062,600	108,807,600
At 1 January 2024	72,000,000	10,000,000	215,600	357,500	2,156,100	5,490,900	2,175,100	0	0	0	0	5,349,800	11,062,600	108,807,600
Addition							10,000,000		0	0	0	280,000		
At 1 January 2024	72,000,000	10,000,000	215,600	357,500	2,156,100	5,490,900	11,903,210	0	0	0	0	5,629,800	11,062,600	0
At 1 Jun 2024														
Depreciation	1,224,000	0	0	6,256	36,654	93,345	89,274	0	0	0	0	289,935	188,064	1,927,528
Impairment	0	0	-	0	0	0	0	0	0	0	0	0	0	0
Transfer/adjustment	0	0	-	0	0	0	0		0	0	0		0	0
Net Book Values														
At 30 th Jun 2023 (previous year)	68,000,000	8,000,000	215,600	357,500	2,156,100	5,490,900	2,175,100		0	0	0	5,349,800	11,062,600	102,807,600
At 30 Jun 2024	70,776,000	10,000,000	215,600	351,244	2,119,446	5,397,555	2,085,826	0	0	0	0	5,059,865	10,874,536	106,880,072
At 1 Jul 2024	70,776,000	10,000,000	215,600	351,244	2,119,446	5,397,555	2,085,826	0	0	0	0	5,059,865	10,874,536	106,880,072
Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers/Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
At 30 Jun 2024	70,776,000	10,000,000	215,600	351,244	2,119,446	5,397,555	2,085,826	0	0	0	0	5,059,865	10,874,536	106,880,072

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Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
At 30th June 2025 (current year)	70,776,000	10,000,000	215,600	351,244	2,119,446	5,397,555	2,085,826	0	0	0	0	5,059,865	10,874,536	106,880,072
Depreciation And Impairment														
At 1 Jun 2024 (previous year)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	1,224,000	0	0	6,256	36,654	93,345	89,274	0	0	0	0	289,935	188,064	1,927,528
Disposals	0													
Impairment	0													
At 30 Jun 2025 (current year)	0													
Depreciation	1,203,192	0	0	6,147	36,031	91,758	15,644	0	0	0	0	260,583	184,867	1,798,222
Disposals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
At 30th Jun 2025 (current year)	2,427,192	0	0	12,403	72,684	185,104	104,918	0	0	0	0	550,518	372,931	3,725,750
Net Book Values														
At 30th Jun 2024 (previous year)	70,776,000	10,000,000	215,600	351,244	2,119,446	5,397,555	2,085,826	0	0	0	0	5,059,865	10,874,536	106,880,072
At 30th Jun 2025 (current year)	69,572,808	10,000,000	215,600	345,097	2,083,416	5,305,796	2,070,182	0	0	0	0	4,799,282	10,689,669	105,081,850

Valuation

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As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Benjamin Ominde, Bachelor of Real Estate (Hons.) GMISK Valuation Officer professional valuers on 4th December, 2023. These amounts were adopted in the financial statements on 1st January 2024.

18 (B) Property, Plant And Equipment at Cost

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	10,000,000	0	10,000,000
Learning Materials	215,600	0	215,600
Buildings	72,000,000	2,427,192	69,572,808
Office equipment	357,500	12,403	345,097
Computers and related equipment	2,175,100	104,918	2,070,182
Tool & Equipment	2,156,100	72,684	2,083,416
Furniture, and fittings	5,490,900	185,104	5,305,796
Kitchen Ware	11,062,600	372,931	10,689,669
Machinery and Equipment	5,349,800	550,518	4,799,282
Total	108,807,600	3,725,750	105,081,850

19. Trade and Other Payables from Exchange Transactions

	2024/2025		2023/2024	
Description	Kshs		Kshs	
Trade payables	3,015,077		3,913,636	
Fees paid in advance	-		-	
Salary deductions	-		-	
Third-Party Payments	1,138,255		1,138,255	
Other Payables	-		-	
Total Trade and Other Payables	4,153,332		5,051,891	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	0	0	485,700	10
1-2 years	0	0	864,400	17

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2-3 years	0	0%	399,930	8
Over 3 years	4,153,332	100%	3,301,861	65
Total (to tie to totals above)	4,153,332	100	5,051,891	100

20 Refundable Deposits from Students

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Consumer deposits				
Caution money	1,027,200		878,400	
Other refundable deposits				
Total Deposits	1,027,200		878,400	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	148,800	15%		%
1-2 years	878,400	85%		%
2-3 years	0	0%		%
Over 3 years	0	0%		%
Total (to tie to totals deposits above)	1,027,200	100		%

21. Payments received in advance

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Fees received in advance	12,625,526		12,719,022	
Others (Specify)				
Total	12,625,526		12,719,022	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	93,496	1%	12,719,022	100%
1-2 years	0	0%	0	0%

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2-3 years	0	0%	0	0%
Over 3 years	12,532,030	99%	0	0%
Total	12,625,526	100	12,719,022	100

Retirement benefit Asset/ Liability

Currently Mabera Technical and Vocational College does not operate a define benefit scheme for its employees.

Recognition of Retirement Benefit Asset/ Liability

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently peg on the new rates per employee per month. Other than NSSF MTVC has no other defined contribution scheme.

22.Cash Generated From Operations

	2024-2025	2023-2024
	KShs	KShs
Surplus for the year before tax		
Adjusted for:		
Surplus/Deficit for the year	5,322,005	6,462,042
Depreciation	1,798,222	1,927,528
Non-cash grants received		-
Contributed assets		-
Impairment		-
Gains and losses on disposal of assets		-
Contribution to provisions		-
Contribution to impairment allowance		-
Finance income		-
Finance cost		-
Working Capital adjustments		
Increase in inventory	(42,568)	-86,458

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Decrease in receivables	3,015,791	-9,290,927
Decrease in deferred income	(10,676,089)	(1,802,466)
Decrease in payables	(898,559)	1,880,468
Increase in refundable deposit	(148,800)	0
Decrease in payments received in advance	(93,496)	0
Net cash flow from operating activities	8,276,506	-909,814

i. 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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

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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:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables from exchange transactions	20,154,059	20,154,059	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	1,223,360	1,223,360	-	-
Total	21,377,419	21,377,419	-	-
At 30 June 2024				
Receivables from exchange transactions	30,257,260	30,257,260	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	342,447	342,447	-	-
Total	30,599,707	30,599,707	-	-
At 30 June 2025				
Receivables from exchange transactions	38,090,186	38,090,186		
Receivables from non-exchange transactions	11,000,000	11,000,000		
Bank balances	8,595,253	8,595,253		
Total	57,685,438	57,685,438		

(NB: The cash in hand amounts have been excluded from the totals)

(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.

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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.

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2023				
Trade payables	0	0	7,573,446	7,573,446
Current portion of borrowings	0	0	0	0
Refundable Deposit from customers	0	0	879,000	879,000
Deferred income				
Employee benefit obligation	0	0	0	0
Total	0	0	8,452,446	8,452,446
At 30 June 2024				
Trade payables	0	1,374,548	3,677,343	5,051,891
Current portion of borrowings	0	0	0	0
Refundable Deposit from customers	0	0	878,400	878,400
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total	0	1,374,548	4,555,743	5,930,291

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

FINANCIAL RISK MANAGEMENT (Continued)

(iii) Market risk

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.

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

b) Interest rate risk

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

Management of interest rate risk

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

MARKET RISK (CONTINUED)

(iii) Market risk

(iii) Market risk (Continued)

b) Interest rate risk(continued)

iv) Capital Risk Management

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

	2024-2025	2023-2024
	Kshs	Kshs
Retained earnings	5,322,005	730,263
Capital Fund	137,173,160	128,927,682
Total funds	142,495,165	129,657,945
Total borrowings		-
Less: cash and bank balances	(8,595,253)	(342,447)
Net debt/(excess cash and cash equivalents)	8,595,253	342,447
Gearing	6.03%	0.26%

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

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or control 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:

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

27. SEGMENT INFORMATION

Mabera TVC operates in only one location

28. DEFERRED TAX LIABILITY

Deferred tax is calculated on all temporary differences under the liability method using the enacted tax rate, currently 30%. The net deferred tax liability at year end is attributable to the following items:

29. EVENTS AFTER THE REPORTING PERIOD

There was no event.

30. ULTIMATE AND HOLDING ENTITY

The entity is an educational institution under the Ministry of education. Its ultimate parent is the Government of Kenya.

31. CURRENCY

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue/observation from auditor	Management comments	Status:(Resolved/Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
1.1. Variance between Financial Statements and Ledger/Payroll	<p>The expenditure of Kshs.8,051,507 differs with a corresponding amount of Kshs.7,893,000 recorded in the supporting payroll/ledger provided for audit (shown below), resulting in an unreconciled variance of Kshs. 158,507</p> <p>Further, Although NSSF, PAYE and NHIF amounting to Kshs. 1,183,332 was deducted from the employees benefits only Kshs. 708,522 was paid to statutory bodies translating to unexplained and unreconciled variance of Kshs.474,810</p>	The variance is brought about by employees not paid for during holidays but being remitted for statutory for months not paid e.g. the SHA deduction and casual workers.	Resolved	
1.2	The statement of changes in net assets reflects revaluation loss of ksh 4,758,952 . However, as		Resolved	

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<p>Misstatement of revaluation gain</p>	<p>disclosed in Note 18 (A) to the financial statements, assets were revalued on 31 december,2023 at Kshs 108,807,600 and immediately before the revaluation, their net book value was Ksh 97,270,001, leading to re-computed revaluation gain of ksh 11,537,599 which differs with the reported revaluation Loss, resulting in an unreconciled variance of Kshs 16,296,551. In the circumstances, the accuracy of the revaluation loss of ksh 4,758,952 could not be confirmed.</p>	<p>The error was corrected by adjusted</p>		
<p>1.3 Unconfirmed accuracy of the statement of cash flows</p>	<p>Note 22 on cash generated from operations, which reconciles the surplus of kshs 6,464,041 reported in the statement of financial performance and net cash flows from operation activities amount of negative kshs 909,814 reflected in the statement of cash flows, shows increase in deferred income of negative kshs 1,802,466 which is not supported (deferred income is not reported in the statement of financial position). Further although the Note reflects increase in payables amounts of kshs 1,880,468, the statement of financial position shows that payables decreased by the same amount. In addition, the Note excludes a decrease in refundable deposits from students of ksh 1,600 and an increase in payments received in advance of kshs 12,719,022 which are working capital in the circumstance, the accuracy, completeness and fair presentation of the financial statements could not be confirmed</p>	<p>Anomaly corrected</p>	<p>Resolved</p>	
<p>1.4 Misstatement of utilization difference amounts for expenditure</p>	<p>The statement of comparison of budget and actual amounts reflects various utilization difference amounts relating to expenditure items, which differ with the re-computed differences, resulting in unexplained variances</p>	<p>The differences arose as a result of BOG employees` statutory deductions being paid for in in the months</p>	<p>Resolved</p>	

Accounting Officer

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		hen salaries are not paid for .e.g. NHIF		
1.1. Lack of Sufficient Details in the General Ledgers/Support Schedules	The statement of financial performance reflects total expenses amount of Kshs.31,324,835 and total revenue of Kshs.26,056,623. However the supporting ledger/schedules provided for audit lacked relevant details such as dates of transactions, narrations of activities undertaken and vote heads for which expenditures were budgeted and charged were missing.	Narration of activities will be furthered to enhance under stability by the users of the financial statements	Not resolved	30/06/2025
2.0 Use of Goods and Services 2.1. Unsupported school equipment and stores expense	Included in the use of goods and services balance is an amount of Kshs.3,817,572 in respect of school equipment and stores. Review of sampled payment vouchers amounting to Kshs.1,647,086 revealed that the schedule provide did not indicate payment voucher and cheque numbers, quotations sent to prequalified suppliers for competitive bidding and inspection and acceptance committee reports indicating that the items procured adhered to the required quantities and specifications were not provided and items procured were not taken on charge in a store's records.	The responsible officer to comply by recording items in the stores leger.	Not resolved	30/06/2025
2.2. Unsupported Administrative Costs	Included in the use of goods and services amount is an amount of Kshs.2,962,791 in respect of administrative costs. However, the latter amount includes sampled payment vouchers amounting to Kshs.1,147,000 as tabulated below, whose	The management should ensure that officer responsible to adhere to continuous recording of goods	Resolved	NA

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	quotations from prequalified suppliers were not provided for audit.	once the are received and issued.		
2.3 Unsupported and irregularities in local transport and travelling expenses	Included in the use of goods and services is an amount of Kshs. 5,814,175 in respect of local transport and travelling. Review of sampled payment vouchers amounting to Kshs. 1,285,475 revealed the following anomalies:	Bus ticket, invitation ,program and attendance register provided for verification during responses to the management letter.	RESOLVED	
3.0. Long outstanding receivables from exchange transactions	The statement of financial position, and as disclosed in Note 16 to the financial statements, reflects current receivables from exchange transactions balance of Kshs. 30,257,260 which indicates an increase of Kshs. 9,290,927 or 44% from the Kshs. 20,966,333 reported in the previous year. Further the balance of ksh 30,257,260 includes debtor amounting to kshs 22,871,020 that had been outstanding for more than two (2) years. Further, Management did not provide students' ageing analysis and the movement schedule for the year under audit to support the balance and the increase in receivables. In addition, although the college had a debt collection policy in place, it would appear that there was no capacity to enforce debt collection measures therein.	Debt collection procedures to be enhanced for effective debt collection.	Resolved	
4.0.	The statement of financial position reflects inventories balances of Kshs. 839,369 as disclosed in Note 17 to the financial statements	The college conduct quarterly stock taking exercise to	Resolved	

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Unsupported Inventories		ascertain the closing inventory as per the regulations.		
5.0. Unconfirmed Property, Plant and Equipment (PPE) Balance	The statement of financial position and as disclosed in Note 18(a) to the financial statements reflects property, plant and equipment balance of Kshs.106,880,072 as at 30 June 2024 which differs with the re-computed balance of ksh 117,160,072 resulting in variance of kshs 10,280,000 which represents additions amount that was excluded. The College received donations of 100 Micro-Computer Desktops, 100 Keyboard and 100 Mouses from Konza Technopolis Development Authority on 7 April, 2023. The items have been included as additions during the period under review at a cost of Kshs.10,000,000 under computers. However, delivery note certificate and invoice indicating the total cost have not been provided for audit review	This was an abnormally captured and therefore rectification will be done on the subsequent books to capture the 100 pieces of computers.	Resolved	NA
6.0. Unsupported Refundable Deposits from Customers/Students Balance	The statement of financial position reflects a balance 878,400 in respect of refundable deposits from customers (caution money) as disclosed in Note 20 to the financial statements. However, Mmanagement did not provide ledgers and the creditor's movement schedule in support of the balance for audit review. Further, it was not possible to confirm the existence of the balance as details of students from who the deposits were	The refundable deposits in form of Caution fee was provided for verification purpose as support of the amount.	Resolved	NA

Name: Beatrice Nyareki

Mabera Technical And Vocational College
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	received nor the bank statements were not provided for audit review.			
7.0 Non-compliance with the prescribed reporting framework	The statement of comparison of budget and actual amounts does not include a row for "surplus for the period"	The row for surplus as adjusted accordingly	Resolved	NA
Report on lawfulness and effectiveness in the use of public resources				
1.0 Long outstanding trade and other payables	The financial statements, reflects trade and other payables from exchange transactions balances of Kshs. 5,051,891 which includes long outstanding payables amounting to kshs 4,566,191 that had remained unsettled for period of over one (1) year. This was contrary to regulation 42 (1)(b) of the public finance management (national government) regulations 2025.	Long outstanding creditors was due to lack of funds to cater for the same. However, Measures on how to settle long outstanding creditors has been put in place to ensure suppliers are paid on time.	NOT RESOLVED	31/06/2025
2.0. Failure to adhere to Kenya gazette supplement No. 1 of 2018 on Minimum wage	The statement of financial performance reflects employee costs amount of Kshs. 8,051,507 which includes ksh 5,772,000 paid to forty one (41) of the colleges trainers (at monthly wages of ksh 12,000, ksh 13,000 and ksh 15,000) instead of the stipulated minimum of ksh 8,367,624 resulting in an under payment of ksh 2,595,624 , contrary to requiremt of Kenya gazette supplement No 1 of 2018 that monthly minimum wage be ksh 18,846	Managent has already prepared scheme of service and salary scale of workers to adress the monimum wage. The matter will be presented to the board which will be presented to the Board in April for approval.	NOT RESOLVED	31/06/2025

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<p>3.0 Non- compliance with the law on ethnic diversity in staffing</p>	<p>Human resource records maintained and availed for audit review indicated that during the year under review, Mabera Technical and Vocational College had of a total of sixty-four (64) employees. However, it was noted that two communities occupied 34% and 36% respectively of the total number of employees</p>	<p>Management is in the process of putting up modalities to be in line to the ethnic diversity for the subsequent recruitments.</p>	<p>NOT RESOLVED</p>	<p>31/06/2025</p>
<p>4.0 Staff establishment-shortage in staffing levels</p>	<p>During the year under review, the College had a staff establishment with an Optimal Staffing Levels of 103 staff and in-post of 39 staff translating to a shortage of 64 staff.:</p>	<p>Management has put up measures to curb for the shortage of staff through requests to the ministry of education in given more slots for the PSC trainers recruitments</p>	<p>NOT RESOLVED</p>	<p>31/06/2025</p>
<p>REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE</p>				
<p>1.0. Inconsistent audit committee meetings and lack of internal audit function</p>	<p>Though the College had an audit committee, review of records revealed that the committee only meet twice during the period under review. Information provided indicated that during the financial year under review, the College did not have an Internal Audit department in place as required by Regulation 162(2) of the Public Finance Management (National Government)</p>	<p>The Management should has developed an audit charter to regularise on the board members sittings.</p>	<p>NOT RESOLVED</p>	<p>31/06/2025</p>

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	<p>Regulations, 2015. The audit services were being outsourced from the a sister institution.</p> <p>Further, the Committee did not carry out any annual review of the independence, performance, and competency of the internal audit unit, contrary to the provisions of Regulation 166(1) of the Public Finance Management (National Governments) Regulations, 2015.</p>			
<p>2.0 Weak IT internal controls</p>	<p>A review of the College's IT internal control environments and its working revealed that the College did not have a strong Information Communication Technology (ICT) internal control despite operating in IT enabled environment like use of College Management Information System (COLEMIS) Software in the Finance, Procurement and Administration departments. The following Information Technology control weaknesses were noted:</p> <ul style="list-style-type: none"> i. The College did not have approved policies on Information Technology security including disaster recovery plan and IT continuity plan. Consequently, the critical data/information may not be recovered in case a disaster occurs. ii. The College did not have IT strategic or steering committees which could result in none 	<p>The Management developed an IT policy to be used in essence it will reduce exposures to risks.</p>	<p>NOT RESOLVED</p>	<p>31/06/2025</p>

Principal/BOG Secretary
Signature

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	<p>implementation of IT governance, as part of enterprise governance.</p> <p>iii. The College lacked security policy, an indication that there is no clear direction to maintain information security and to properly safeguard its assets.</p> <p>iv. The College did not have fire suppression systems hence information may be lost in case of a fire outbreak.</p> <p>v. The system could not generate reports such as expenditure reports, revenue reports and students' reports.</p>			
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Date.....19th August, 2025.....

Appendix II: Projects Implemented by Mabera TVC

Projects

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
CONSTRUCTION OF A HOSPITALITY BLOCK AT MABERA TECHNICAL AND VCATIONAL COLLEGE	MTVC/CONST/001/2024/2025	MINISTRY OF EDUCATION	12 WEEKS	YES	NO	YES

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Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1.	CONSTRUCTION OF A HOSPITALITY BLOCK AT MABERA TECHNICAL AND VCATIONAL COLLEGE	9,983,944	6,047,650	65%	10,000,000	9,983,944	MINISTRY OF EDUCATION

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Appendix III- Inter-Entity Confirmation Letter



MABERA TECHNICAL AND VOCATIONAL COLLEGE
 P.O. Box 205 - 40414, Isebania | Tel: 0757202284
 email: maberatvc@gmail.com



Name of transferring entity Ministry of Education (DTE).....

Name of beneficiary entity...Mabera TVC.....

Confirmation of amounts received by Mabera Technical and Vocational College as at 30 th June 2025				
		Amounts Disbursed by Ministry of education state department of vocational and technical training as at 30th June 2025 (Kshs)	Amount Received by Mabera TVC]	Differences (KShs)

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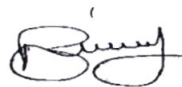
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)	(KShs) as at 30 th June 2025 (E)	(F)=(D-E)
1 st quarter 2024/2025	08th Oct 2024	500,000	-	-	500,000	500,000	0
2 nd quarter 2024/2025	27 th Jan 2025	500,000	-	-	500,000	500,000	0
MOE/SDVTT/DTE/ADM 1/94(216)	19th May,2025	10,000,000	-	-	10,000,000	10,000,000	
Total		11,000,000	0	0	11,000,000	11,000,000	0

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

Head of Accountants department of beneficiary Entity:

Name Beatrice Nyareki

Sign



Date 25/08/2025