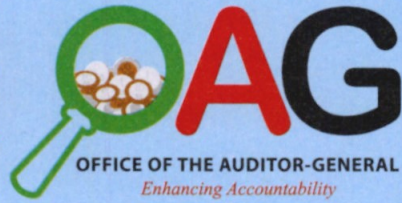


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
*Enhancing Accountability*



**REPORT**

NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 01 APR 2026

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WEDNESDAY

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HON. DR. ROBERT PUKODI, MP

CLERK-AT  
THE TABLE:

CHRISTINE NDIRITU

**THE AUDITOR-GENERAL**

**ON**

**MATHIOYA TECHNICAL AND  
VOCATIONAL COLLEGE**

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



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**MATHIOYA TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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

**Mathioya 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
HOD	Head of Department
ICT	Information and Communication Technology
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MTVC	Mathioya Technical & Vocational College
OHS	Occupational Health and Safety
PC	Performance Contracting
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
TVET	Technical and Vocational Education and Training

**B. Definition of Key Terms**

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

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

**Board** – The board of Governors of the college duly appointed by the Cabinet Secretary.

**Management** – College administrative team led by the principal who is the CEO of the college

## **2. Key College Information and Management**

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

Mathioya Technical and Vocational College is established under the TVET Act of 2013 and was registered on 25<sup>th</sup> April, 2017.

The College is located in Kamacharia Location, Kamacharia Division, Mathioya sub-county, Murang'a County. It started in 2014 on land donated by the local community for the purpose.

The foundation stone was laid by the Hon. William Samoei Ruto (Deputy President of the republic of Kenya) on 2<sup>nd</sup> October, 2014. The construction of the Institute buildings started on 25<sup>th</sup> November, 2014 and by 2017 the building had been completed.

The College was officially registered on 25<sup>th</sup> April, 2017 and admitted the first batch of students in January 2018 and currently the college has student population of 423 students.

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

MTVC is a national public tertiary institution under the Ministry of Education; it operates under the Education Act 213 and TVET Act 2013 Laws of Kenya. The College's operations are also carried out in accordance with the Government policies and procedures as spelt out in official documents and circulars. The institution operates under the management of the Board of Governors appointed by the Minister in charge of Education. The Principal is the institution's CEO and the secretary to the BOG. On the day-to-day operations of the college, the Principal is assisted by the Deputy Principal, the Registrar, the Dean of Students and Heads of Departments. The students participate in College's governance through a student's association led by an elected student board

The college is Centre of excellence in Automotive Engineering. The college received modern tools and equipment in the area of ICT and Automotive Engineering worth US Dollars One million, two Hundred and thirty-three thousand, and four hundred and eighty-one (\$1,233,481).

This government act was to bring to the youths of Murang'a County the modern technology so that they can have hands on skills for self-reliance which is also our motto.

Trainees trained in Mathioya Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills and Technology to make a difference in this generation and generations to come. The Mathioya Technical and Vocational College is committed to offering the best and top-quality training.

We do so to make our trainees more competitive and competent in their professions. Mathioya Technical and Vocational College is growing from strength to strength, we are determined to offer training in a diverse, qualitative

**Mathioya Technical and Vocational College**  
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and an interactive platform that creates and nurtures talents among trainees. We offer courses from Level 6 ( Diploma ) , Level 5( Craft,) level 4 (Artisan) and skill upgrade levels for those people who are practicing and have no formal certificate. There is no age limit for you to be admitted at Mathioya TVC because we offer regular, part-time and school based trainings.

**Vision Statement**

To be a leading technical college for sustainable development

**Mission Statement**

To produce globally competitive graduates through competency-based education and training

**Our core values are;**

1. Integrity
2. Equity
3. Professionalism
4. Teamwork
5. Customer focus
6. Innovation

**(c) Key Management**

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

- Board of Governors.
- Accounting officer/ Principal
- Administrators
- Heads of Departments
- Heads of sections

**(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:

SN.	Designation	Name
1.	Principal	Mr. David Chege Githaiga
2.	Deputy principal Finance	Mr. Joseph Kamanu Wanjiku
3	Deputy principal Academics	Mr. Moses Mwarari Kimani
4	Registrar (s)	Mr. Peter Chege Maina
5	Dean of students	Mr. James Mwangi Migwi
6	Head of Finance	Mr. Martin kamau Irungu
7	Head of Procurement	Mr. Peter Murithi Kalaine
8	Administrative secretary	Ms. Alice Wanjiru wangui
9	Cecily Hiuko Kariuki	Ms. HOD business studies

**Mathioya Technical and Vocational College**  
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SN.	Designation	Name
10	P.C Coordinator/ assessment centre officer	Mr. Kennedy Njoroge
11	HoD – Automotive Engineering	Ms. Jane Kanini
12	HoD- Electrical and Electronics	Mr. Peter Mungai
13	HoD – Building and Civil Engineering/ industrial liason officer	Ms. Gladys Nyawira
14	HoD – Hospitality & tourism	Ms. Valary Ombok Atieno
15	Hod Fashion Design and Cosmetology	Ms. Monica Mulwa
16	HOD computing and informatics	Mr. Geoffrey Kamau

**Key College Information and Management (Continued)**

**(e) Fiduciary Oversight Arrangements**

**Audit and risk committee activities**

- Establish Internal Audit Functions
- Formulate whistle blowing Policy in the College
- Formulate and Review of OHS Policy
- Insurance of all assets general accident cover for trainees and BOG employees
- Formulation and Implementation of Anti- Corruption Policy
- Putting in place Security Surveillance Mechanisms
- Enhance Security of the Institution
- Formulation and Review of Security Policy
- Establish and Maintain Archives
- Formulate and Implement ICT Policy
- Carry out an audit on values of governance
- Ensure all financial transactions are properly authorized
- Ensure proper fees collection mechanisms
- Ensure proper systems controls in all service points

**Finance and operations committee activities**

- Resource Mobilization
- Prepare Annual Procurement Plan
- Prepare Annual Budget
- Quarterly Financial Report
- Establish Internal Financial Control Systems
- Ensure adherence to Procurement Act and Regulations
- Final Financial Accounts
- Human Resource Management
- In Charge of Assets Management
- Formulation of Policies
- Communication
- Infrastructural Development and Maintenances
- Adherence to Principles of Governance
- Development of Organizational Structure

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

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- Establishment of Key Management Committees
- Strategic Planning
- Monitoring and Evaluation
- Ensure that external audit of financial statement is completed and submitted in time

**Academic Committee Activities**

- Formulation and Review of the Academic Policy
- Quality Assurance
- Development and Implementation of New Programmes
- Determination of Resources:
  - Human Resource
  - Teaching/Learning Materials
- Curriculum Evaluation
- Establish Linkage between the College and Industry
- Ensure Relevance of Courses to Market Needs

**(f) College Headquarters**

P.O. Box 363 - 10204  
Kiriani – Murang'a road  
KENYA

**(g) College Contacts**

Telephone: ( 254) 0791-334282  
E-mail: mathioyatti@gmail.com  
Website: www.mathioyatechnical.ac.ke

**(h) College Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

Kenya Commercial Bank  
Murang'a Branch  
Murang'a, Kenya

Equity Bank  
Kiria-ini Branch  
Murang'a, Kenya

**Mathioya Technical and Vocational College**  
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**(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

**Mathioya Technical and Vocational College**

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**3.The Board of Governors**

<i>SN</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p><b>Njeri Cecilia Macharia</b> <b>Chair of the Board of Governors</b></p>	<p>Ms. Macharia, born in 1965, holds a Bachelor’s degree in Business Administration (HR Management Option) from Kenya Methodist University, Diploma in Business Administration from International Correspondence Schools (ICS), Certified Professional Mediator (Mediation Training Institute-MTI) Certificate in Purchasing and Supplies Management from the University of Nairobi (Extra Mural Studies). Certified Human Resource Professional Kenya CHRP (K). Appointed to the Board of Mathioya technical and Vocational College in 29<sup>th</sup> January, 2018.</p> <p>She has also attended various managerial trainings/workshops programs. Ms. Macharia has previously worked with Gatuguta &amp; Gatuguta Advocates, Kenya Power &amp; Lighting Company, KenGen in different Sections i.e Insurance Section, Human Resource Officer, Planning &amp; Recruitment. She is the former Senior Human Resource Officer in charge of Upper Tana Area, and also former Senior Human Resource Officer in charge of Employee Relations at Stima Plaza Nairobi. Current age 60.</p>
2.	 <p><b>James Mbugua Ng’ang’a</b> <b>Non-Executive BOG Member</b></p>	<p>Mr. James Mbugua Ng’ang’a born in 1976, holds a Bachelor of Arts Degree Literature, Philosophy, English language and Linguistics from Egerton College, Certificate in Executive Education in Transformational Leadership Certification Harvard Kennedy School of Business (2018), international Institute of Journalism, Berlin (2010, 2013) Digital Journalism and Cross-Media Management Certification, international Institute of Journalism, Berlin (2005) Newsroom Management Certification. Appointed to the Board of Mathioya Technical and Vocational College in January 2021. Currently working as, a Partner   Head of Content House of Romford Ltd a Bespoke Content and Media Relations Company. Current age 49</p>
3.	 <p><b>Mr Joseph Kimani Machiri</b> <b>Non-Executive BOG Member</b></p>	<p>Mr. Joseph Kimani Machiri, born in 1958, holds a Bachelor of Commerce degree in Human Resources from Pioneer University and a Diploma in Business Management from the same University.</p> <p>He also holds a Diploma in Information Technology certificate from Jomo Kenyatta University of Agriculture and Technology (JKUAT).</p> <p>He has been a long serving member of cooperative movement in Murang’a County and also served as the MCA Kamacharia ward from 2012-2017. Appointed to the Board of Mathioya Technical and Vocational College in January 2024. Currently</p>

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





		working in road construction around the country. Current age 67
4.	 <b>Dr Elly Tety Osewe</b>	<p>Dr Osewe has over 15 years experience in the education sector having starting from PC Kinyanjui Technical as a Technical Trainer rising to Murang'a University of Technology as the Director TVET in the Department of Physical and Biological Sciences.</p> <p>He holds a Doctorate in Chemistry from Maseno University. He is a renowned researcher with many publications and Research paper presentations.</p>
5.	 <b>Jane Wambui Mureithi</b>	<p>Jane Mureithi has over 15 years in Quality Assurance, having served as Quality Assurance in Kenya Accountants and Secretaries National Examinations Board (KASNEB) and Ministry of Education. She holds Bachelor of Education Arts from Moi University and Master of Education in Administration from Kenyatta University.</p> <p>Jane is a trained Quality Assurance from the Association of African Universities and Ministry of Education. She is a Member of Kenya Institute of Management. She is currently the Principal Quality Assurance Officer KASNEB.</p>
6.	 <b>Grace Esther Opar</b>	<p>Eng. Grace Esther Opar was born on 28<sup>th</sup> July 1986 to a Christian family in Karachuonyo North, Homabay County. She schooled at Kanyadhiang primary school, then proceeded to Nyakach Girls' High School where she completed O'Level and later joined Moi University and graduated with a Bachelor of Engineering degree in Electrical and Electronics Engineering in December 2011. She also is a certificate holder in Senior Management course from Kenya School of Government. She has worked for various Organizations including Mzuri sweets Limited as an operations and maintenance engineer and Glory Investment Limited as a design engineer. She is currently a Senior Superintending Engineer (Electrical) – Building Services at the State Department for Public Works. She is a registered member of the Engineers Board of Kenya and the Institution of Engineers of Kenya.</p>
7.	 <b>George Mwema Syengo</b>	<p>George is pursuing his Phd in project planning and management (specializing in monitoring &amp; evaluation) - ongoing</p> <p>He holds Masters degree in project planning and management and a Bachelor degree in project planning and management</p> <p>Work experience</p> <p>Lecturing &amp; teaching ( 34 years' experience)</p> <p>Age: 70 years</p>

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<p>8.</p>	 <p><b>Mr. David Chege Githaiga Principal/Secretary BOG</b></p>	<p>His academic qualifications include a Higher Diploma in Applied Biology from Kenya Polytechnic and a Diploma in Applied Biology from Eldoret Polytechnic. He also holds a Diploma in Technical Education from the Kenya Technical Trainers College (KTTC). He has completed a diploma course in Education Management at the Kenya Education Management Institute (KEMI), the Senior Management Course (SMC) at the Kenya School of Government, and is currently enrolled in the Strategic Leadership Development Program (SLDP) at the same institution.</p> <p>He began his teaching career as a Biology and Chemistry teacher at Star Sheikh Girls in Nairobi. He later joined Thika Institute of Technology as a lecturer in the Department of Applied Sciences. His exceptional administrative capabilities led to his appointment as Assistant Registrar – Examinations. Following the institution's upgrade to Mount Kenya University, he was appointed as the Campus Liaison Officer.</p> <p>He later joined the Teachers Service Commission and was posted to Thika Technical Training Institute as an Assistant Lecturer in the Applied Sciences Department. During his tenure, he also served as the Deputy Examination Officer and was subsequently appointed as the Institute Examination Officer. In recognition of his exemplary service and leadership, he was awarded the Best Administrative Head of Department for the 2014/2015 academic year.</p> <p>David was later deployed as the Deputy Principal in charge of Finance and Administration at Nachu Technical and Vocational College. Currently, he currently serves as the Principal and secretary board of governors of Mathioya Technical and Vocational College</p>
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**Mathioya Technical and Vocational College**  
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**4. Key Management Team**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Mr. David Chege Githaiga Bachelor of Philosophy in Applied Biology	CEO/Accounting Officer
2.	 Mr. Moses Kimani BBA Entrepreneurship	Deputy Principal- Academics
3.	 Mr. Joseph Kamanu Bsc Telecommunications and IT CPA (K)	Deputy Principal-Administration and Finance
4.	 CPA Martin Kamau CPAK	Head of Finance
5.	 Peter Murithi Kalaine Diploma Supply chain Management	Head of Procurement

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6.	 Peter Chege Degree-Agribusiness	Registrar
7.	 Mr. Migwi James BEd Sci.	Dean of Students
8.	 Mr. Kennedy Njoroge BSc – Food Science and Technology.	Performance contracting co-ordinator/Assessment centre officer
9.	 Mr. Peter Mungai HND in Electrical & Electronics (Power Option)	HOD Electrical and Electronics
10.	 Ms. Jane Kanini HND Mechanical Engineering	HOD Mechanical and Automotive Engineering
11.	 Ms Cecilia Hiuko Karoki	HOD Business Studies

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12.	 Ms. Gladys Wachira Diploma In water Engineering and Irrigation, Plumber Pipe Fitter	HOD - Building and Civil Engineering/ILO
13.	 Ms. Valary Ombok Diploma in Food and beverage	HOD – Hospitality and Tourism
14.	 Ms. Monica Mulwa Diploma in Cosmetology	HOD – Fashion design and cosmetology
15.	 Mr. Geoffrey Kamau Degree in Information Technology	HOD Computing and informatics

**Mathioya Technical and Vocational College**  
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**5. Chairperson Statement**

The mandate of Mathioya Technical and Vocational college is to provide technical education training, research and innovation. In order to effectively fulfill its mandate, the college has developed a credible strategic plan which provides a clear road map for its operations.

The College Board notes with appreciation the continued support of the Government and other stakeholders in running the institution. The College continues to offer quality programmes that are market-driven and meet the demands of the market. The Board endeavours to work with the industry and other strategic partners and stakeholders in order to provide facilities to meet the challenges the College is facing.

In efforts to support the reforms in TVET sector, through the introduction and establishment of Competency Based Education and Training (CBET) the board through the goodwill of the principal have managed to sign several Memorandum of understanding with various companies, which are helping to equip our trainees with the requisite skills and knowledge required in various sectors.

During the year under review the board governors have continued to support academic excellence of our trainees through recommendation of hiring of additional trainers in various department to cover a shortfall that is not currently covered by the government. Secondly we have continuously monitored the academic excellence of the trainees through monitoring of the pass rate, staff motivation and review of the academic policies align with the new curriculum.

The college also under took the following projects

- a) Public participation exercise to aid in land transfer from the Githua village polytechnic to Mathioya TVC
- b) Public participation for approval of construction of a hall by Mathioya NGCDF
- c) Purchase of college driving school truck and a motorbike
- d) Equipment various training workshops
- e) Ground levelling and grass planting
- f) Installation of gypsum to Block D and building improvement.

Due to be sensitivity of the marketability of various courses and demand in the job market introduction of new courses was successfully done which has led to increase in student enrolment.

Finally, the board is committed to exercising its oversight and governance role with an aim of making sure the college achieve its short term and long-term goals. I wish to thank all stake holders for their continued support and dedication, even as we together strive to achieve greater heights of excellence.

Signed..... Date 26<sup>th</sup> August, 2025  
Njeri Cecilia Maeharia (Ms)  
Chairperson Board of Governors



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

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**6. Report of the Principal**

I am pleased to present the Annual report and Financial Statements of Mathioya Technical & Vocational College for the financial year ended 30<sup>th</sup> June, 2025. Mathioya Technical & Vocational College is an academic institution committed to imparting knowledge, skills and right attitudes through Technical, Innovation and vocational for self-reliance of our trainees and bridge the skill gap in the market.

Mathioya TVC continue to upscale its efforts to fulfil its mandate of providing education and training as stipulated in TVET Act of 2013. To achieve this the college continue benchmarking against the established curriculum by the ministry of education and aligning to our vision, mission and motto statement

Mathioya TVC trainees are being trained using Competency Based Education and Training (CBET) which emphasized more on practical skills and trainee's capabilities. In May 2025 the ministry of education through the state department of technical vocational education and training rolled out modularised curriculum and Mathioya TVC on boarded on it. The curriculum gives trainees more insight in the practical world and within three months one get a competence certificate after assessment by the relevant bodies. The certificate is well recognised in the job market.

In full realization of the impact of practical and hand on skills knowledge, the college have entered into several memorandum of understanding with various local industries/institution in order to help our trainees get first-hand experience of what is expected in the job market. The industries/institution act as form dual training to assist trainees get requisite skills.

Upon approval by TVETA (Technical Vocational Education Training Authority) the college have introduced several new courses like homebased care management and gypsum installation just to mention a few. This decision was informed by increase market demand, the need to increase our college enrolment and to make Mathioya TVC a centre of academic excellence.

The college presented its trainees for national examinations and assessment to various examination as follows Technical and Vocational Education and Training Curriculum Development, Assessment and Certification Council (TVETCDACC), Kenya national examination council (KNEC) and National Industrial Training Authority (NITA) in various exam series and a pass rate of 81% was registered and this have ascertained the quality and relevance of our training.

During the financial year under review the college engaged in vigorously marketing, publicity and advertisement of college programmes to sensitize and create awareness to the members of the public and the community at large. This has led to increased enrolment leading to increase in population from 273 trainees to 423 trainees.

The board of governors proceeded for an induction exercise which was worth as it gave an insight of what is expected of them in the performance of their oversight and governance duties.

The main source of college income is student fees, government support through capitation, scholarship and grants. However due to harsh economic conditions the trainees were unable to pay the fee in time and the other hand the government did not fully honour its obligation of releasing the necessary funds

## **Mathioya Technical and Vocational College**

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

this has really affected the day to day operations. The management have prudently managed the resources available to realize the value for money, through honouring all its obligations and initiation of the followings programs

- a) Purchase of college driving truck and motorbike
- b) Public participation exercise to aid in land transfer from the Githua village polytechnic to Mathioya TVC
- c) Public participation for approval of construction of a hall by Mathioya NGCDF
- d) Purchase of college driving school truck and a motorbike
- e) Equipment various training workshops
- f) Ground levelling and glass planting
- g) Installation of gypsum to Block D and building improvement
- h) Initiation of college driving school
- i) Purchase of office printers and marketing equipment's.

Finally, Special appreciation goes to all the students who have chosen Mathioya Technical & Vocational College as their place of study and it will continue offering market-driven academic programmes for industrial and socio-economic growth and to the staff for their dedication and effort to achieve tangible results



Signed ..... Date: 26<sup>th</sup> August, 2025

**David Chege Githaiga (Mr)**  
**Principal/ Secretary BOG.**

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

**SECTION A**

Mathioya TVC has 6 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2024- 2028. These strategic pillars are as follows:

1. To increase the Trainee's enrolment by 20% annually.
2. To produce highly skilled, competent and self-driven human resource for the labour market.
3. To collaborate with relevant institutions and industries for the transfer of applied knowledge, innovations and technological solutions for solving practical problems in the workplace.
4. To diversify training programmes.
5. To ensure MTVC utilizes modern information communication technology in training and management systems.
6. To expand and improve physical infrastructure and equipment.

Mathioya TVC develops its annual work plans based on the above 6 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2024/ 2025 period for its 6 strategic pillars, as indicated in the diagram below:

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

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Enrolment	Enrolment increases by 20%	<ul style="list-style-type: none"> <li>• Increased Enrolment</li> <li>• Competent Graduates</li> <li>• Improved variety of courses</li> </ul>	<ul style="list-style-type: none"> <li>• Diversification of training programs</li> </ul>	20%
Infrastructure	<ul style="list-style-type: none"> <li>• Completion of pathways and workshop shed</li> </ul>	<ul style="list-style-type: none"> <li>• Construction of pathways and a workshop shed within the Institution</li> </ul>	Expansion and improvement of physical infrastructure and equipment	50%
Industrial linkages and collaboration	Dual training through industrial linkages	Increased number of Collaborations with industry	Collaboration with relevant institutions and industries for the transfer of applied knowledge innovation and technological solution for solving workplace problems in the workplace	10
Technical skills	Increase of number of well-equipped trainees	Completion of courses admitted and satisfaction of requirements for the course. (Practical and theory)	Production of highly skilled, competent, and self-driven human resource for the labour market	150
ICT integration	Fully digitization of college services	Operationalizing the Institutional ERP	Utilization of modern information communication technology in training and management systems	90
Human resources	Qualified personnel recruited	Competent workforce across all departments	No of qualified personnel recruited	5

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

**8. Corporate Governance Statement**

The corporate governance structure ensures that we act with high standards of corporate behaviour and in the best interest of our stakeholders. The board has the authority to perform the functions and determine the policies that control the college activities.

The board is responsible for our overall corporate governance and approves strategic directions and budgets. On the other hand, the management ensures that all statutory requirements are complied with, internal control systems are in place and operate effectively; in addition to ensuring that board decisions are fully implemented.

The board comprises 9 members appointed by the Cabinet Secretary for Education. The Principal sits in the Council as a full-time member and as a secretary to the board. The members are appointed for a term of three years and are eligible for re- appointment for another final term of three years. The members have broad range of professions, skills and experience. The board has three committees namely; Finance, Resource Mobilization committee, Academic and research committee and Audit Risk and compliance management Committee. Any issue(s) outside the above committees may be handled by a specially constituted ad hoc committee, made by a resolution of the board including its membership.

The board, in consultation with management, develops strategic direction for the annual and long term period.

At its regular meetings, the board considerations include:

- Quarterly Financial Statements
- Annual Financial Statements

The board held induction and corporate governance training for all the members during the year under review.

Composition of the board

The board is chaired by Ms. Njeri Cecilia Macharia who provides direction during board meetings.

The committee composition of the board is shown below

**a) Finance ,development and operations / academic committee activities**

S/NO	NAME	POSITION
1	Mr. Joseph Kimani Machiri	Chairperson finance, development& operations committee
2	Ms. Jane Wambui Muriithi	Chairperson academic committee
3	Mr George Mwema Syengo	Member
4	Mr. James Mbugua	Member

**Mathioya Technical and Vocational College**  
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**b) Audit , risk and compliance committee**

Members include:

S/NO	NAME	POSITION
1	Ms. Grace Opar	Chairperson
2	Mr. Elly Tety Osewe	Member
3	Mr. Charles Nyota	Member

**Number of Board meetings held and the attendance to those meetings by members**

Below is the number of meetings and the attendance of those meeting by board members

Full board meetings	-	4
Finance and operations/ Academic committee	-	4
Audit risk & compliance Committee	-	3
Induction meeting	-	1

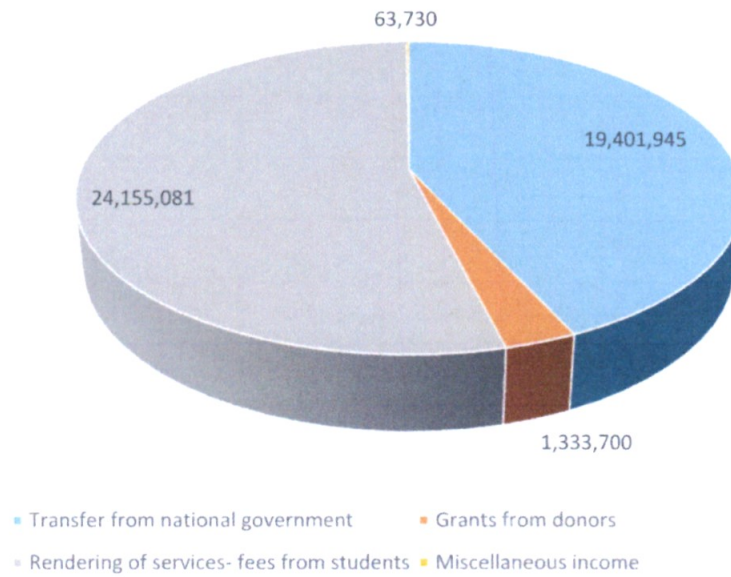
S/NO	Board Member	Full board meeting	Finance development Operations/academic	Audit , risk & compliance	induction
1.	Ms Njeri Cecilia Macharia	4	0	0	1
2.	Mr Charles Nyota	4	0	3	1
3.	Mr James Mbugua Ng'ang'a	3	3	3	1
4.	Mr Joseph Kimani Machiri	4	4	0	1
5.	Mr.Elly Tety Osewe	3	0	3	1
6.	Ms. Grace Opar	2	0		1
7.	Mr. George Mwema Syengo	4	4	0	1
8.	Ms. Jane Wambui	3	3	0	1
9.	Mr. David Chege Githaiga	1	2	0	1
10.	Ms Grace Borah	3	2	0	1

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

**9. Management Discussion and Analysis  
FINANCIAL PERFORMANCE.**

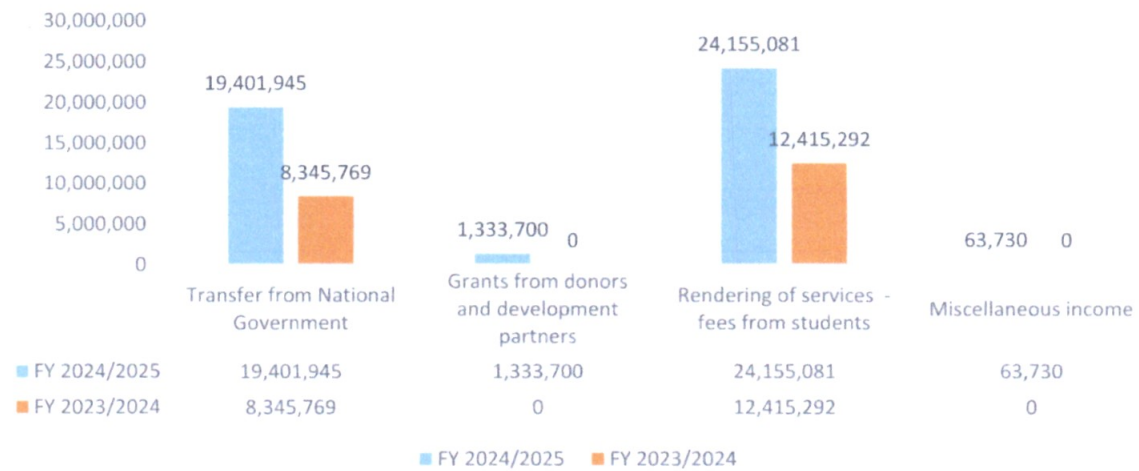
**A. INCOME ANALYSIS**

**REVENUE DISTRIBUTION**

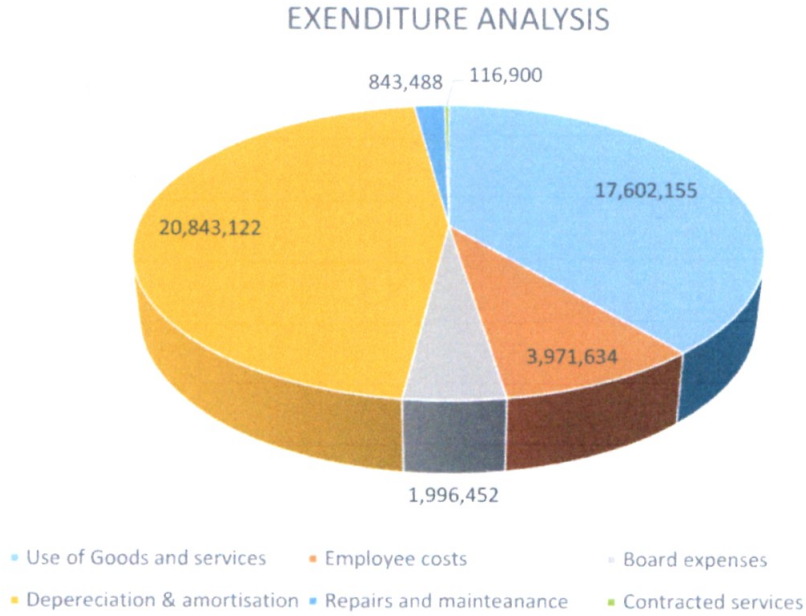


**Comparison of Income between the Financial years 2023/2024 and 2024/2025**

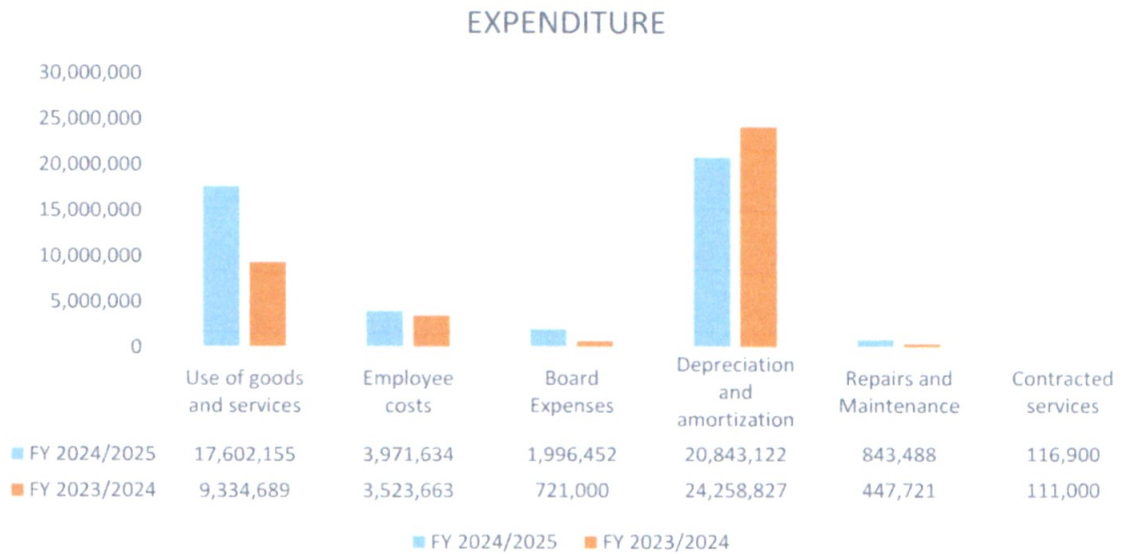
**REVENUE**



**Mathioya Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**  
**EXPENDITURE ANALYSIS**

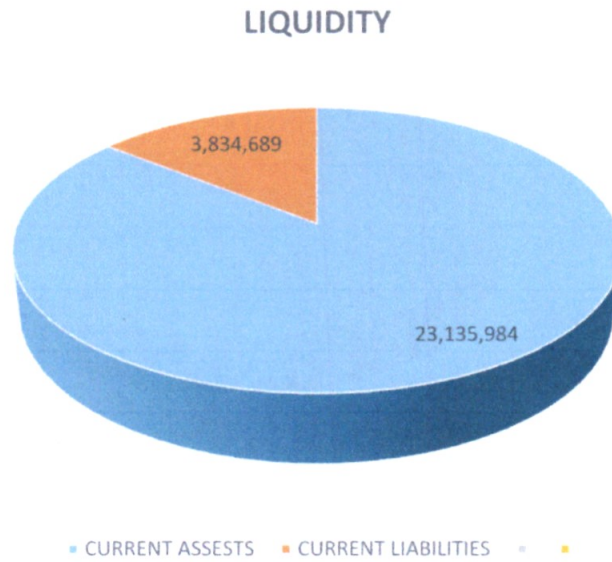


**Comparison of Expenditure between the Financial years 2023/2024 and 2024/2025**

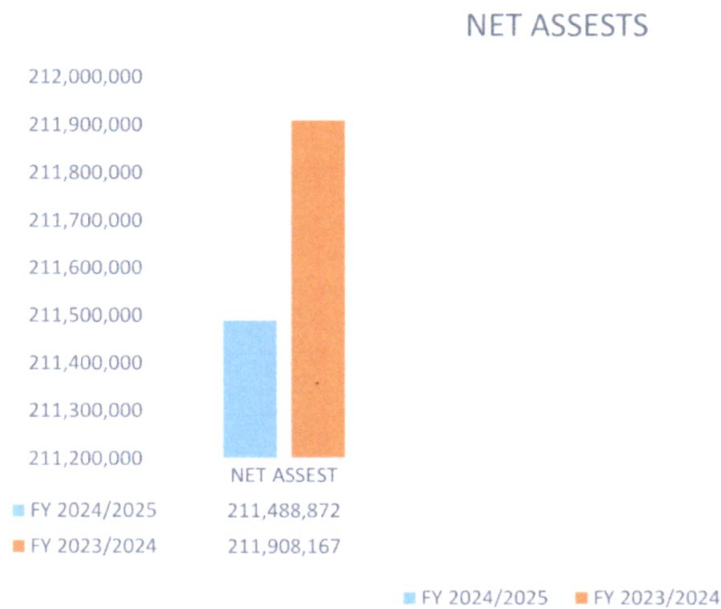


**Mathioya Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2025**

**A. FINANCIAL POSITION  
Current Assets vs current Liabilities**



**Total Assets**



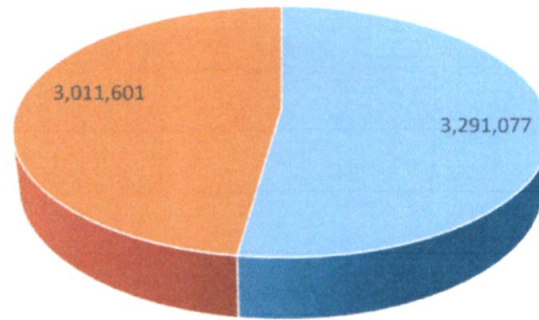
**Mathioya Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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**A. STATEMENT OF CASHFLOWS**

**Cash and Bank balances**

CASH AND BANK BALANCES



■ FY 2024/2025 ■ FY 2023/2024 ■ ■

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

### **Sustainability strategy and profile**

The college steered by the Board of Governors has an ambitious 5-year strategic plan to improve service delivery and growth. The institution management is working closely with the Public Administration and the offices of elected leaders to seek support through training bursaries and development grants. The board has embarked on an ambitious marketing plan to increase student population and popularise the College services in the community and further beyond.

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

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

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

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

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

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

### **Environmental performance**

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

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

#### **Emissions into the air-**

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

#### **Employee welfare**

During the financial year, the college recruited staff using the laid down recruitment procedures. This was done through the guidance of public service commission who Give insight into all relevant data; following rules of on recruitment of the corporate governance and defining responsibilities and behaviour of the board.

## **Mathioya Technical and Vocational College**

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

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

Health and safety – the college guarantee that no health and safety risks occur when working in/for the college. No negative impact of employees' physical health at any time was reported.

The college has Operation of programmes for employees to prevent dangers and to stay generally fit and healthy.

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

#### **Market place practices-**

##### **a) Responsible competition practice.**

The college practices responsible competition by following normal procedure of marketing. The college has developed an anti-corruption policy and non-political adherence

##### **b) Responsible Supply chain and supplier relations**

The college has list of suppliers who were prequalified through advertisement. The policy of the college is to pay all the bills at the end of every month and this has created a good rapport with her suppliers and service providers

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

The college carries out normal marketing through media, public gathering , use of national government administrative officers and well-structured course sensitization programs

##### **d) Product stewardship or Awareness Creation**

Trainees trained in Mathioya Technical and Vocational College are competently prepared emotionally, intellectually and spiritually. They are equipped with Hands on Skills and Technology to make a difference in this generation and generations to come. The Mathioya Technical and Vocational College is committed to offering the best and top-quality training.

Mathioya Technical College exists to transform lives through development of practical skills applicable in lives and careers of our trainees. This endeavour, we feel contributes positively to the achievement of development goals in line with Vision 2030.

With reference to the direction of the international financial reporting council for entities to adopt integrated reporting.

Customer focus is what guides us to deliver our strategy, putting the customer first, delivering relevant training and services, and improving operational excellence.

Below is a highlight of strategies and activities that promote the organisation's strategic objectives;

- a) Existence and operationalisation of the Institution Service Charter in September 2021.

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

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- b) Adoption of Performance Contracting as required for all public institutions in the Republic of Kenya.
- c) Industry best standards for customer service.

**Corporate Social Responsibility / Community Engagements**

The college Corporate Social responsibility is anchored on the fact that, as part of the Kenyan society, we have a duty that go beyond our legal obligations for the benefit of the society at large. Our Corporate social responsibility entails community engagement, supporting community activities, responding to emerging issues and challenges, helping the needy in the society and application of ethical conduct in the participation of our duties.

Mathioya College being a public college embraces the policy of Corporate Social Responsibility (CSR) through engaging herself with the following amongst many social responsibilities:

**(a) Charitable Activities**

The College trainees have been offering material & spiritual support to needy children in various children's homes within Mathioya region through donation of foodstuffs and cloths.

**(b) Environmental Improvement activities**

Introduction of communal periodical cleaning day at Kamacharia Shopping Center and Kiria -ini Town has been one of the environmental activities of the Institution.

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

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

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

**Principal activities**

The principal activities of the College are offering technical skills and training in courses examined by the Certified Kenya National Examinations Bodies. These courses are;

- a) Diploma courses/ Level 6
- b) Craft Certificate courses/ level 5
- c) Artisan courses/Level 4
- d) Government Grade Test and Vocational Courses/ level 3

**Results**

The results of the College for the year ended June 30th 2024 are set out on pages 1-36

**Board of Governors**

The members of the Board /Council who served during the year are shown on page X to XII . During the year the principal Grace Gathoni who is the secretary to the board retired and David Chege Githaiga was appointed with effect from 17<sup>th</sup> March, 2025 .

**Auditors**

The Auditor General is responsible for the statutory audit of the College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 were nominated by the Auditor General to carry out the audit of the College for the period ended June 30, 2025, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on her behalf.

By Order of the Board





.....  
**Secretary of the Board**

**Nairobi**

**Date: 26<sup>th</sup> August, 2025**

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

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

Section 81 of the Public Finance Management Act, 2012 section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the board members to prepare financial statements in respect of that college, which give a true and fair view of the state of affairs of the college at the end of the financial year and the operating results of the college for that year. The board members are also required to ensure that the college keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The council members are also responsible for safeguarding the assets of the college.

The board members are responsible for the preparation and presentation of the college financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year 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 college,
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) safeguarding the assets of the college,
- (v) selecting and applying appropriate accounting policies, and
- (vi) making accounting estimates that are reasonable in the circumstances.

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

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

**Approval of the financial statements**

The college financial statements were approved by the Board on **26<sup>th</sup> August, 2025** and signed on its behalf by:

MATHIOYA TECHNICAL AND  
VOCATIONAL COLLEGE  
P. O. Box 363 - 10204,  
KIRIAINI

Name: **Njeri Cecilia Macharia**  
Chairperson of the Board

MATHIOYA TECHNICAL AND  
VOCATIONAL COLLEGE  
P. O. Box 363 - 10204,  
KIRIAINI

Name: **David Chege Githaiga**  
Accounting Officer/Principal

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Mathioya Technical and Vocational College set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Mathioya 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 Technical Training Education and Training Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Unsupported Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment net book value of Kshs.190,987,577 as disclosed in Note 20 to the financial statements. The balance comprises of land, buildings, motor vehicles, computers, and plant and equipment. However, a search for the land details measuring five (5) acres shows that it was registered under the defunct County Council of Murang'a. Motor vehicle registered under the Ministry of Education.

In the circumstances, the accuracy, completeness and ownership of the property, plant and equipment net book value of Kshs. 190,987,577 could not be confirmed.

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

### **Emphasis of Matter**

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

The statement of comparison of budget and actual amounts reflects final budgeted receipts and actual receipts of Kshs.55,719,900 and Kshs.31,953,345 respectively resulting to underfunding of Kshs.23,766,555 or 14% of the budget. Similarly, the College's actual expenditure was Kshs.31,672,869 against actual receipts of Kshs.31,953,345 resulting to under absorption of Kshs.280,476 or 0.9% of the actual receipts.

The underfunding and under absorption may have affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Audit Matters**

In the audit report of the previous year various issues were raised on the Report on Financial Statements , Report on the Lawfulness and Effectiveness in use of Public Resources and Report on Effectiveness of Internal Controls ,Risk Management and Governance.

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

	<b>Financial Year</b>	<b>Audit Issue</b>
1	2023/2024	Inaccuracies in the statement of Cashflows
2	2023/2024	Unsupported Property, Plant and Equipment
3	2023/2024	Overpayment of Board Expenses
4	2023/2024	Ineffective implementation of Contract
5	2023/2024	Lack of Staff Ethnic Diversity
6	2023/2024	Lack of Internal Audit Function
7	2023/2024	Lack of Human Resource Function

### **Other Information**

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

In connection with my audit on the Vocational College 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. Over Payment of Board Allowances**

Note 12 to the financial statements reflects an amount of Kshs.1,996,452 as Board expenses. Review of Board allowance records revealed that the Principal Secretary State Department for Technical Vocational Education communicated new Board allowances rates as Kshs.10,000 for the Chairperson and Kshs.7,000 for Members. However, the Board Members were paid allowances using old rates as follows; Chairperson Kshs.25,000 and Members Kshs.20,000 per sitting resulting in overpayment of Kshs.369,600.

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

#### **2. Slow Implementation of Contract**

Note 21 to the financial statements reflects Kshs.1,200,000 for intangible asset being Enterprise Resource Planning (ERP) software procured on 28 November, 2022 and whose full implementation was to end on 27 November, 2023. However, records revealed that payments totalling Kshs.300,000 vide three (3) cheques were made without a valid contract. Further, a payment of Kshs.300,000 was made without evidence of achievement of deliverables. In addition, the contract did not indicate which deliverable the balance of Kshs.300,000 relates to.

In the circumstances, value for money of the amount totalling Kshs.700,000 spent on the ERP could not be confirmed.

#### **3. Long Outstanding Trade and Other Payables**

The statement of financial position and as disclosed in Note 22 to the financial statements reflects payables balance of Kshs.2,427,687. However, included in the balance are trade payables balance of Kshs.500,000 which had been outstanding for more than two (2) years contrary to provisions of the Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which requires the Accounting Officers to only commit funds where sufficient budgetary provision exists to meet the resulting obligations.

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

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

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

### **Responsibilities of the Management and the Board of Governors**

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

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

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

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

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

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

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

**15 December, 2025**

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

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

	Notes	2024-2025	2023-2024
		Kshs	Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	6	19,401,945	8,345,769
Grants from donors and development partners	7	1,333,700	0
		<b>20,735,645</b>	<b>8,345,769</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	8	24,155,081	12,415,292
Miscellaneous income	9	63,730	0
<b>Revenue from Exchange transactions</b>		<b>24,218,811</b>	<b>12,415,292</b>
<b>Total Revenue</b>		<b>44,954,456</b>	<b>20,761,061</b>
<b>Expenses</b>			
Use of goods and services	10	16,717,082	9,334,689
Employee costs	11	3,971,634	3,523,663
Board Expenses	12	1,996,452	721,000
Depreciation and amortization expense	13	20,843,122	24,258,827
Repairs and maintenance	14	843,488	447,271
Contracted services	15	116,900	111,000
<b>Total Expenses</b>		<b>45,373,751</b>	<b>38,396,450</b>
<b>Net surplus/(deficit) for the year</b>		<b>(419,295)</b>	<b>(17,635,389)</b>

The notes set out on pages' 8 to 42 form an integral part of the Annual Financial Statements.

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

**MATHIOYA TECHNICAL AND VOCATIONAL COLLEGE**  
P. O. Box 363 - 10204,  
KIRIA-INI

Chairperson of the Board

**MATHIOYA TECHNICAL AND VOCATIONAL COLLEGE**  
P. O. Box 363 - 10204,  
KIRIA-INI

Principal



Finance Officer

ICPAK No: 34993

Date: 26<sup>th</sup> August,2025

Date: 26<sup>th</sup> August,2025

Date: 26<sup>th</sup> August,2025

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

**14. Statement of Financial Position as at 30th June 2025**

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	16	3,291,077	3,011,601
Current portion of receivables from exchange transactions	17(a)	19,249,710	3,804,858
Receivables from non-exchange transactions	18	0	500,000
Inventories	19	595,197	402,657
<b>Total Current Assets</b>		<b>23,135,984</b>	<b><u>7,719,116</u></b>
<b>Non-Current Assets</b>			
Property, plant, and equipment	20	190,987,577	203,264,049
Intangible assets	21	1,200,000	1,200,000
<b>Total Non-Current Assets</b>		<b>192,187,577</b>	<b>204,464,049</b>
<b>Total Assets</b>		<b><u>215,323,561</u></b>	<b><u>212,183,165</u></b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	22	2,427,687	1,995,397
Refundable deposits from customers	23	114,000	106,700
Payments received in advance	25	1,293,002	182,000
<b>Total Current Liabilities</b>		<b>3,834,689</b>	<b>2,284,097</b>
<b>Total non- current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>3,834,689</b>	<b>2,284,097</b>
<b>Net Assets</b>		<b><u>211,488,872</u></b>	<b><u>211,908,167</u></b>
<b>Represented By:</b>			
Revaluation Reserves		104,368,368	104,368,368
Accumulated Surplus		(87,546,996)	(87,127,701)
Capital Fund		194,667,500	194,667,500
<b>Net Assets</b>		<b><u>211,488,872</u></b>	<b><u>211,908,167</u></b>

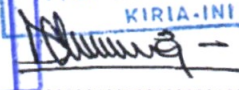
**Mathioya Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2025**

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

MATHIOYA TECHNICAL AND VOCATIONAL COLLEGE  
P. O. Box 363 - 10204,  
KIRIA-INI

MATHIOYA TECHNICAL AND VOCATIONAL COLLEGE  
P. O. Box 363 - 10204,  
KIRIA-INI



.....  
Chairperson of the board

Principal

Date: 26<sup>th</sup> August, 2025

Date: 26<sup>th</sup> August, 2025



.....  
Finance Officer

ICPAK No: 34993

Date: 26<sup>th</sup> August, 2025

**Mathioya Technical and Vocational College**  
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**15. Statement of Changes in Net Asset For The Year Ended 30 June 2025**

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
<b>At July 1, 2023</b>	<b>12,150,000</b>	<b>(69,492,312)</b>	<b>194,667,500</b>	<b>137,325,188</b>
Revaluation gain	92,218,368	-	-	92,218,368
Surplus/(deficit) for the year	-	(17,635,389)	-	(17,635,389)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
<b>At June 30, 2024</b>	<b>104,368,368</b>	<b>(87,127,701)</b>	<b>194,667,500</b>	<b><u>211,908,167</u></b>
<b>At July 1, 2024</b>	<b>104,368,368</b>	<b>(87,127,701)</b>	<b>194,667,500</b>	<b><u>211,908,167</u></b>
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(419,295)	-	-
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
<b>At June 30, 2025</b>	<b>104,368,368</b>	<b>(87,546,996)</b>	<b>194,667,500</b>	<b>211,488,872</b>

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**16. Statement of Cash Flows for The Year Ended 30 June 2025**

Description		2024-2025	2023-2024
	Note	Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		19,401,945	7,845,769
Grants from donors and development partners		1,333,700	0
Rendering of services- fees from students		11,153,970	10,453,290
Miscellaneous income		63,730	0
<b>Total Receipts</b>		<b>31,953,345</b>	<b>18,299,059</b>
<b>Payments</b>			
Use of goods and services		15,984,693	8,934,689
Employee costs		3,937,686	3,523,663
Board Expenses		1,996,452	721,000
Repairs and maintenance		771,488	447,271
Contracted services		116,900	111,000
<b>Total Payments</b>		<b>22,807,219</b>	<b>16,376,094</b>
<b>Net Cash Flows from operating activities</b>	26	<b>9,146,136</b>	<b>1,922,965</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(8,866,650)	(400,00)
<b>Net cash flows used in investing activities</b>		<b>279,476</b>	<b>1,522,965</b>
<b>Cash flows from financing activities</b>			
<b>Net cash flows used in financing activities</b>			
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>279,476</b>	<b>1,522,965</b>
Cash and Cash equivalents at 1 <sup>st</sup> July,2024	16	3,011,601	1,488,636
<b>Cash and Cash equivalents at 30<sup>th</sup> June,2025</b>	16	<b>3,291,077</b>	<b>3,011,601</b>

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**17. Statement of Comparison of Budget & Actual amounts for Year Ended 30 June 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference	Note
	Kshs	Kshs	Kshs	Kshs	Kshs	%	
<b>Budget carryovers from the previous year</b>	-	-	-	-	-	-	
<b>Receipts</b>							
Transfers from other National Government entities	3,500,000	15,600,000	19,100,000	19,401,945	(301,945)	-1.6%	1
Grants from donors and development partners	0	0	0	1,333,700	(1,333,700)	-100%	2
Rendering of services- fees from students	24,317,250	8,531,350	32,848,600	11,153,970	21,694,630	64%	3
Miscellaneous Income	2,550,000	1,221,300	3,771,300	63,730	3,707,570	98%	4
<b>Total Receipts</b>	<b>30,367,250</b>	<b>25,352,650</b>	<b>55,719,900</b>	<b>31,953,345</b>	<b>23,766,555</b>		
<b>Payments</b>							
Use of goods and services	20,170,800	3,360,000	23,530,800	15,984,693	7,546,107	32%	5
Employee costs	3,976,800	0,	3,976,800	3,937,686	39,114	10%	6
Board Expenses	1,420,500	287,752	1,708,252	1,996,452	(288,200)	-16%	7
Repairs and maintenance	1,500,000	500,000	2,000,000	771,488	1,228,552	61%	8
Contracted services	280,000	0	280,000	116,900	163,100	58%	9
<b>Total Expenditure Payments</b>	<b>27,348,100</b>	<b>4,147,752</b>	<b>31,495,852</b>	<b>22,807,219</b>	<b>8,688,673</b>		
<b>Capital Expenditure Payments</b>	<b>3,019,150</b>	<b>21,204,898</b>	<b>24,224,048</b>	<b>8,866,650</b>	<b>15,357,398</b>	<b>64%</b>	<b>10</b>
<b>Total Expenditure</b>	<b>30,367,250</b>	<b>25,352,650</b>	<b>55,719,900</b>	<b>31,673,869</b>	<b>24,046,071</b>		
<b>Surplus</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>279,476</b>	<b>(279,516)</b>		

**Budget notes**

1. Transfers from national Government over performed by 1.6% which is favourable due to increased and timely disbursements amounts against budgeted amounts.
2. Grants from donors and development partners over performed by 100% as this donation were not budgeted for during the budgetary making process, there were unforeseen.
3. Rendering of services fees underperformed by 64% due to low paying ability of our trainees and economic hardship and short fall of the budgeted population.
4. Miscellaneous Income, underperformed by 98% due minimal income generating activities undertaken.
5. Use of goods and services underperformed due to delay in release in scholarship and low paying ability of our trainees leading to reduction in spending and financing of the expenditure vote heads
6. Employee costs underperformed by 10% which is favourable.
7. Board expenses over performed by 16% due to induction costs and increased number of meetings.
8. Repairs and maintenance underperformed by 61%. This was caused by reduction in repairs
9. Contracted services underperformed by 58% due to reduction in consultation services during the financial year.
10. Capital expenditure underperformed by 64% due to delay in release in scholarship and low paying ability of our trainees hence the management was forced to forego some of the planned programs.

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	279,476
1	Opening cash and cash equivalents as at 31 <sup>st</sup> July, 2024	3,011,601
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<b>3,291,077</b>

**18. Notes to the Financial Statements**

**1. General Information**

Mathioya Technical and Vocational college is established by and derives its authority and accountability from TVET Act of 2013. The college is wholly owned by the Government of Kenya and is domiciled in Kenya. The college's principal activity is Technical 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 judgment in the process of applying the college accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the college. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

**Mathioya Technical and Vocational College**  
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**3. Adoption of New and Revised Standards**

**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	<b>Applicable 1<sup>st</sup> January 2025</b> 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. This standard did not affect the college for the FY 2024/2025
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b>Applicable 1<sup>st</sup> January 2025</b> 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. This standard did not affect the college for the FY 2024/2025
IPSAS 45: Property Plant and Equipment	<b>Applicable 1<sup>st</sup> January 2025</b> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. This standard did not affect the college for the FY 2024/2025
IPSAS 46: Measurement	<b>Applicable 1<sup>st</sup> January 2025</b> The objective of this standard was to improve measurement guidance across IPSAS by: 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.

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	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This standard did not affect the college for the FY 2024/2025</p>
IPSAS 47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></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>This standard did not affect the college for the FY 2024/2025</p>
IPSAS 48: Transfer Expenses	<p><b>Applicable 1<sup>st</sup> January 2026</b></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>This standard did not affect the college for the FY 2024/2025</p>
IPSAS 49: Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>This standard did not affect the college for the FY 2024/2025</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><b>Applicable 1<sup>st</sup> January 2027</b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>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.</li> </ol> <p>This standard did not affect the college for the FY 2024/2025</p>

**iii. Early adoption of standards**

The College did not early – adopt any new or amended standards in the financial year

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Rendering of services**

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

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the Board on 8<sup>th</sup> June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the college upon receiving the respective approvals to conclude the final budget. Accordingly, the college recorded additional appropriations of ksh 25,352,650 on 11<sup>th</sup> April, 2025 for the FY 2024/2025 budget following the Board's approval. The college's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of Cashflows has been presented.

**c) Taxes**

***Current income tax***

The college is exempt from paying taxes as the income tax Act.

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

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

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

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

**d) 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.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**e) Property, plant and equipment**

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

Depreciation of asset is calculated using the reducing balance method to write off the cost of the assets over their useful lives

The annual rates in use are: -

<b>Asset</b>	<b>Percentage (%)</b>
1.Land	Nil
2.Buildings	2
3.Work in progress and site work	Nil
4.Motor vehicles	25
5.Plant, office and other equipment	12.5
6.Furniture and fittings	12.5
7.Computers and Accessories	30
8.Academic gowns	5

**f) Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the College. 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 College also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the College will obtain

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

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ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the College. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g) Intangible assets**

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

**h) Biological Assets**

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

**i) Research and development costs**

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

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

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

**j) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The college does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one college and a financial liability or equity instrument of another college. At initial recognition, the college measures a financial asset or financial liability at its fair value plus or minus, in the case of a

**Mathioya Technical and Vocational College**  
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financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

***Financial assets***

***Classification***

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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

***Financial liabilities***

***Classification***

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

**k) Inventories**

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

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

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

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

### **Inventories (Continued)**

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

#### **l) Provisions**

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

#### ***Contingent liabilities***

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

#### ***Contingent assets***

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

#### **m) Social Benefits**

Social benefits are cash transfers provided to

- i) specific individuals and/or households that meet the eligibility criteria,
- ii) mitigate the effects of social risks and

- iii) Address the need of society as a whole. The college recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the college will incur in fulfilling the present obligations represented by the liability.

#### **n) Nature and purpose of reserves**

The College creates and maintains reserves in terms of specific requirements. The college maintains a revaluation reserve arising for revaluation of non-current assets.

#### **o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

**Retirement benefit plans**

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

**q) Foreign currency transactions**

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

**r) Borrowing costs**

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

**s) Related parties**

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

**t) Service concession arrangements**

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

**u) Cash and cash equivalents**

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

**v) Comparative figures**

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

**w) Subsequent events**

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

## **5. Significant Judgments and Sources of Estimation Uncertainty**

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

### **Estimates and assumptions.**

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

### **Useful lives and residual values**

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

- The condition of the asset based on the assessment of experts employed by the *College*.
- 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.

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.

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

<b>Description</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Unconditional Grants</b>		
Capitation Grants	2,464,100	4,081,500
Operational Grant	5,500,000	2,000,000
Development grants	10,000,000	0
Scholarship	1,437,845	2,264,269
<b>Total unconditional Grants</b>	<b>19,401,945</b>	<b>8,345,769</b>

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

<b>Name of the College Sending The Grant</b>	<b>Amount recognized to Statement of Financial performance *</b>	<b>Amount deferred under deferred income</b>	<b>Amount recognised in capital fund.</b>	<b>Total grant income during the year</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
State Department of TVET	19,401,945	0	0	19,401,945	8,345,769
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,401,945</b>	<b>8,345,769</b>

The details of the reconciliation have been included under appendix II

**7. Grants from Donors and Development Partners**

Description	2024-2025	2023-2024
	Kshs	Kshs
CICAN donations	1,333,700	0
<b>Total Grants from Development Partners</b>	<b>1,333,700</b>	<b>0</b>

**(a) Reconciliations of grants from donors and development partners**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Balance unspent at beginning of year</b>	<b>0</b>	<b>0</b>
Current year receipts	1,333,700	0
Conditions Met - Transferred to Revenue	0	0
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>0</b>	<b>0</b>

This relate to donation of workshop training equipment for building and civil engineering department

**8. Rendering of Services**

Description	2024-2025	2023-2024
	Kshs	Kshs
Tuition	10,674,616	230,279
Personal Emoluments	3,555,138	4,215,377
Local Transport Travelling	1,087,655	781,011
Electricity Water & Conservancy	1,026,459	598,270
Repair Maintenance & Improvements	901,662	356,775
Activity	1,104,530	606,756
Material Fees	7,000	72,950
Computer Maintenance	81,500	55,320
Medical and and insurance	662,121	0
Kenya National Examination Board	434,500	811,230
National Industrial Training Authority	207,400	261,350
KUCCPS	187,500	588,402
Student ID	120,600	52,200
Caution Money	216,500	106,700
T-Shirt	85,400	52,400
Registration	386,500	211,520
Computer studies	153,000	140,850
Short courses	997,000	831,000
Student Welfare	208,500	94,300

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TVET CDACC	1,885,600	339,600
Accrued revenue		1,962,002
Administration	40,000	
Technical Vocational Education Training Authority (TVETA)	131,900	47,000
<b>Total Revenue from The Rendering of Services</b>	<b>24,155,081</b>	<b>12,415,292</b>

Revenue from A-IA

**9. Miscellaneous Income**

Description	2024-2025	2023-2024
	Kshs	Kshs
Income from sale of tender	2,000	0
Centre fee	6,000	0
Garage income	55,730	0
<b>Total other income</b>	<b>63,730</b>	<b>0</b>

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**10. Use of Goods and Services**

Description	2024-2025	2023-2024
	Kshs	Kshs
Administration Expenses	260,632	136,780
Local Transport & Travelling Expenses	1,642,200	1,324,900
Electricity Water & Conservancy	428,014	804,744
National Industrial Training Authority Exams	269,850	541,400
Student ID /college Cards Expenses	35,668	0
Activity	808,136	369,820
KNEC Examinations	403,680	1,480,968
Participation Fee	216,460	319,760
Subscription Fee	150,925	0
Bank Charges	27,520	17,044
Training Material	5,411,878	1,963,640
Attachment and insurance	185,820	25,725
Assessment facilitation	173,250	0
Publicity & marketing	1,604,736	60,050
Fees Refund	41,531	0
KUCCPS	465,315	76,500
Telephone	309,300	372,336
Photocopy/Printing and Stationery	530,556	111,165
Hospitality	599,760	262,555
Performance contract	71,600	66,900
College t-shirt	84,645	0
Internal Audit	69,600	0
Guidance & counselling	6,000	0
Withholding tax	44,303	18,483
Accreditation Fees	123,000	34,000
Cleaning Materials	120,617	22,200
Security	456,000	456,000
Enterprise resource planning	0	400,000
Tax arrears	46,500	469,719
NSSF Arrears	467,008	0
Internet	135,250	0
MOE Inspection	156,020	0
TVET CDACC exams	1,786,900	0
IGA expenses	53,331	0
Staff welfare	76,550	0
Student welfare	44,900	0
Quality assurance	240,500	0

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Internal quality assurance	54,200	0
<b>Total good and services</b>	<b>17,602,155</b>	<b>9,334,689</b>

**11. Employee Costs**

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	2,010,187	2,119,326
National Social Security Fund	265,074	335,904
National Hospital Insurance Fund	15,050	108,500
Pay As You Earn	524,750	8,030
Casuals	431,900	367,205
Part time	582,886	49,500
Production Unit -IGA	0	318,700
HELB Staff Loan deductions	17,681	139,704
NITA Industrial Training Levy	9,150	7,050
Housing Levy	65,023	69,744
Social health insurance fund	49,933	0
<b>Employee Costs</b>	<b>3,971,634</b>	<b>3,523,663</b>

**12. Board Expenses**

Description	2024-2025	2023-2024
	Kshs	Kshs
Chairman's Honoraria	120,000	0
Directors Emoluments	1,876,452	721,00
<b>Total</b>	<b>1,996,452</b>	<b>721,000</b>

**13. Depreciation and Amortization expense**

Description	2024-2025	2023-2024
	Kshs	Kshs
Land	0	0
Building	1,016,508	1,037,253
Motor vehicles	590,625	787,500
Furniture and fittings	567,259	648,296
Computers & Electronics	1,839,682	2,611,338
Plant and equipment	16,728,307	19,062,505
Water Collection and Storage Facility	100,741	111,935
<b>Total depreciation and amortization</b>	<b>20,843,122</b>	<b>24,258,827</b>

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**14. Repairs and Maintenance**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property general repairs	822,638	418,076
Vehicles	20,850	29,195
<b>Total Repairs and Maintenance</b>	<b>843,488</b>	<b>447,271</b>

**15. Contracted Services**

Description	2024-2025	2023-2024
	Kshs	Kshs
Property valuations	96,900	45,000
Internal audit	0	20,500
consultancy	20,000	0
Other Services (Interview Experts)	0	45,500
<b>Total contracted services</b>	<b>116,900</b>	<b>111,000</b>

**16. Cash and Cash Equivalents**

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	3,267,257	2,972,601
Cash in hand	23,820	39,000
<b>Total Cash and Cash Equivalents</b>	<b>3,291,077</b>	<b>3,011,601</b>

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

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1222518767	3,164,778	1,502,445
Equity Bank,	0050283305824	102,479	1,470,156
<b>Sub- Total</b>		<b>3,267,257</b>	<b>2,972,601</b>
<b>b) Others</b>			
Cash in Hand		23,820	39,000
<b>Sub- Total</b>		<b>23,820</b>	<b>39,000</b>
<b>Grand Total</b>		<b>3,291,077</b>	<b>3,011,601</b>

17. Receivables from Exchange transactions

17 (a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	19,249,710	3,804,858
<b>Total Current Receivables</b>	<b>19,249,710</b>	<b>3,804,858</b>

17 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of total	2023-2024	% of total
Less than 1 year	16,746,872	87%	3,178,618	84%
Between 1- 2 years	2,502,838	13%	626,240	16%
Between 2-3 years	0	%	0	0%
Over 3 years	0	%	0	0%
<b>Total (a+b)</b>	<b>19,249,710</b>	<b>100%</b>	<b>3,804,858</b>	<b>100%</b>

18. Receivables from Non-Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Current Receivables</b>		
Recurrent Grants	0	500,000
<b>Total Current Receivables</b>	<b>0</b>	<b>500,00</b>

18 (a) Ageing Analysis on Receivables from Non-Exchange Transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	0	%	500,000	100%
Between 1- 2 years	0	%	0	0%
Between 2-3 years	0	%	0	0%
Over 3 years	0	%	0	0%
<b>Total</b>	<b>0</b>	<b>%</b>	<b>500,000</b>	<b>100%</b>

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**19. Inventories**

Description	2024-2025	2023-2024
	Kshs	Kshs
Consumable stores	118,802	174,550
Maintenance stores	0	71,580
Electrical stores	173,400	68,080
Cosmetology stores	78,265	16,997
Carpentry/Masonry stores	104,790	37,400
Cleaning materials stores	0	13,650
Catering stores	79,850	20,400
ICT stores	6,890	0
Automotive stores	33,200	0
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>595,197</b>	<b>402657</b>

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**20. Property, Plant and Equipment**

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & Electronics	Plant and equipment	water storage and collection facility	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Depreciation Rate</b>		2%	25%	12.5%	30%	12.5%	10%	
<b>At 1<sup>st</sup> July 2023</b>	5,000,000	56,970,622	3,100,000	5,553,399	11,940,713	123,414,650	1,498,280	207,477,664
Additions	0	0	0	0	0	0	0	0
Disposals	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Transfers/Adjustments	0	0	0	0	0	0	0	0
Revaluation	0	0	1,650,000	649,896	751,321	89,167,151	0	92,218,368
<b>At 30<sup>th</sup> June 2024</b>	5,000,000	56,970,622	4,750,000	6,203,295	12,692,034	212,581,801	1,498,280	299,696,032
<b>At 1<sup>st</sup> July 2024</b>	5,000,000	56,970,622	4,750,000	6,203,295	12,692,034	212,581,801	1,498,280	299,696,032
Additions	980,950	265,450	4,924,000	0	316,300	2,079,950	0	8,566,650
Disposals	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
<b>At 30<sup>th</sup> June 2025</b>	5,980,950	57,236,072	9,674,000	6,203,295	13,008,334	214,661,751	1,498,280	308,262,682
<b>Depreciation And Impairment</b>								
<b>At 1<sup>st</sup> July 2023</b>	0	5,107,963	1,600,000	1,016,928	3,987,573	60,081,758	378,934	72,173,156
Depreciation	0	1,037,253	787,500	648,296	2,611,338	19,062,505	111,935	24,258,827
Disposals	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0
<b>At 30<sup>th</sup> June 2024</b>	0	6,145,216	2,387,500	1,665,224	6,598,911	79,144,263	490,869	96,431,983
<b>At 1<sup>st</sup> July 2024</b>	0	6,145,216	2,387,500	1,665,224	6,598,911	79,144,263	490,869	96,431,983
Depreciation	-	1,016,508	590,625	567,259	1,839,682	16,728,307	100,741	20,843,122
Disposals	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & Electronics	Plant and equipment	water storage and collection facility	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfer/Adjustment	0	0	0	0	0	0	0	0
<b>At 30<sup>th</sup> June 2025</b>	-	7,161,724	2,978,125	2,232,483	8,438,593	95,872,570	591,610	117,275,105
<b>Net Book Values</b>								
<b>At 30<sup>th</sup> June 2024</b>	5,980,950	50,825,406	2,362,500	4,538,071	6,093,123	133,437,538	1,007,411	203,264,049
<b>At 30<sup>th</sup> June 2025</b>	5,980,950	50,074,348	6,695,875	3,970,812	4,569,741	118,789,181	906,670	190,987,577

The management adopt a depreciation policy which state that the depreciation shall be effective from 1<sup>st</sup> day of the subsequent quarter, following the date of purchase or capitalization to that effect:

1. Indicated in additions in building was total cost incurred construction of automotive shade of ksh 125,850 and green house installation at a cost of ksh 139,600 which were done in the last quarter of the financial year hence no depreciation charged.
2. Additions in motor vehicles refer to purchase of a college driving school truck and a motorcycle which were all done in the last quarter of the financial year hence no depreciation charge.
3. Additions in computer and electronics consist of one printer at total of Ksh 78,300 purchased on October 2024 hence depreciation charged for two quarters while others were done in the last quarter of the financial year hence no depreciation charged.
4. Additions in plant and equipment consist of generator of ksh 43,500 depreciation charged for three quarters, food and beverage equipment of ksh 30,500 depreciation charged for three quarters and donation of building and civil engineering equipment's of ksh 1,333,700 depreciation charged for one quarter the other acquisition were done in the last quarter of the financial year.
5. Additions in land represent the total cost incurred in ground levelling and grass planting exercise

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**Notes to the Financial Statements (Continued)**

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Union Assessors and contractors limited on 29<sup>th</sup> September 2023. These amounts were adopted in the financial statements on 1<sup>st</sup> October 2023.

**20 (b) Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	5,980,950	0	5,980,950
Buildings	57,236,072	7,161,724	50,074,348
Motor Vehicles including Motorcycles	9,674,000	2,978,125	6,695,875
Office Equipment, Furniture, And Fittings	6,203,295	2,232,483	3,970,812
Computers and Related Equipment	13,008,334	8,438,593	4,569,741
Plant and Machinery	214,661,751	95,872,570	118,789,181
Water harvesting equipment	1,498,280	591,610	906,670
<b>Total</b>	<b>308,262,682</b>	<b>117,275,105</b>	<b>190,987,577</b>

**21. Intangible Assets**

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Cost</b>		
<b>At beginning of the year</b>	1,200,000	0
Additions	0	1,200,000
<b>At end of the year</b>	1,200,000	1,200,000
Additions–internal development	0	0
<b>At end of the year</b>	1,200,000	1,200,000
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	0	0
Amortization	0	0
<b>At end of the year</b>	0	0
Impairment loss	0.00	0
<b>At end of the year</b>	0	0
<b>NBV</b>	<b>1,200,000</b>	<b>1,200,000</b>

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**22. Trade and Other Payables**

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	1,498,255		1,195,397	
Other Payables	929,432		800,000	
<b>Total Trade and Other Payables</b>	<b>2,427,687</b>		<b>1,995,397</b>	
<b>Ageing analysis:</b>	<b>2024-2025</b>	<b>% of the Total</b>	<b>2023-2024</b>	<b>% of the Total</b>
Under one year	1,927,687	79%	<b>1,995,397</b>	100
1-2 years	0	0%	0	0
2-3 years	500,000	21%	0	0
Over 3 years	0	0%	0	0
<b>Total</b>	<b>2,427,687</b>	<b>100%</b>	<b>1,995,397</b>	<b>100</b>

**23. Refundable Deposits from Students**

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Caution money	114,000		106,700	
<b>Total Deposits</b>	<b>114,000</b>		<b>106,700</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	114,000	100%	106,700	100%
1-2 years	0	0%	0	0%
2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
<b>Total (to tie to totals deposits above)</b>	<b>114,000</b>	<b>100%</b>	<b>106,700</b>	<b>100%</b>

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**24. Employee Benefit Obligations**

The college also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The college obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 6 percent of employee salary per employee per month. Other than NSSF the college also has no defined contribution scheme.

**25. Payments received in advance.**

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Fees received in advance	1,293,002		182,000	
<b>Total</b>	<b>1,293,002</b>		<b>182,000</b>	
<b>Ageing analysis:</b>	<b>2024-2025</b>	<b>% of the Total</b>	<b>2023-2024</b>	<b>% of the Total</b>
Under one year	1,293,002	100%	182,000	100%
1-2 years	0	%	0	0%
2-3 years	0	%	0	0%
Over 3 years	0	%	0	0%
<b>Total</b>	<b>1,293,002</b>	<b>100%</b>	<b>182,000</b>	<b>100%</b>

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**26. Cash generated from operations.**

<b>Surplus for the year before tax</b>	<b>2024-2025</b>	<b>2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Surplus/(Deficit) for the year	(419,295)	(17,635,389)
<b>Adjusted for:</b>		
Depreciation	20,843,122	24,258,827
<b>Working Capital Adjustments</b>		6,623,438
Increase in Inventory	(192,540)	1,162,707
Increase in Receivables	(15,444,852)	(1,950,002)
Increase in Payables	439,590	1,924,781
Increase in Payments received in advance	1,111,002	288,700
<b>Net Cash Flow from Operating Activities</b>	<b>9,146,126</b>	<b>1,922,965</b>

## 27. Financial Risk Management

The college's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The 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 college's financial risk management objectives and policies are detailed below:

### (i) Credit risk

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

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the 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 college's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2024</b>				
Receivables from exchange transactions	3,804,858	3,804,858	0	0
Receivables from non-exchange transactions	500,000	500,000	0	0
Bank balances	3,011,601	3,011,601	0	0
<b>Total</b>	<b>7,316,459</b>	<b>7,316,459</b>	<b>0</b>	<b>0</b>
<b>At 30 June 2025</b>			0	0
Receivables from exchange transactions	20,430,398	20,430,398	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	3,291,077	3,291,077	0	0
<b>Total</b>	<b>23,721,475</b>	<b>23,721,475</b>	<b>0</b>	<b>0</b>

**Financial risk management (continued)**

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

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024</b>				
Trade Payables	0	1,195,397	800,000	1,995,397
<b>Total</b>	<b>0</b>	<b>1,195,397</b>	<b>800,000</b>	<b>1,995,397</b>
<b>At 30 June 2025</b>				
Trade Payables	0	1,773,134	654,553	2,427,687
<b>Total</b>	<b>0</b>	<b>1,498,256</b>	<b>654,553</b>	<b>2,427,687</b>

**(iii) Market risk**

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

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

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

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

**a) Foreign currency risk**

The college has no 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 carrying amount of the college's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

The college 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.

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**iv) Capital Risk Management**

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

Description	2024-2025	2023-2024
	Kshs	Kshs
Revaluation Reserve	104,368,368	104,368,368
Retained Earnings	(87,546,996)	(87,127,701)
Capital Reserve	194,667,500	194,667,500
<b>Total Funds</b>	<b>211,488,872</b>	<b>211,908,167</b>
Total Borrowings	0	0
Less: Cash and Bank Balances	3,291,077	3,011,601
Net Debt/(Excess Cash and Cash Equivalents)	208,197,795	208,896,566
<b>Gearing</b>	<b>0.020%</b>	<b>0.011%</b>

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**28. Related Party Balances**

**Nature of related party relationships**

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

**Government of Kenya**

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

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

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

Description	2024-2025	2023-2024
	Kshs	Kshs
<b>Transactions with Related Parties</b>		
<b>a) Sales to related parties</b>		
<b>Total</b>	<b>0</b>	<b>0</b>
<b>B) Purchases from related parties</b>		
Purchases of electricity from kplc	396,930	911,349
Purchase of water from Gatamathi Water and Sanitation Company	18,075	40,595
<b>Total</b>	<b>415,005</b>	<b>951,944</b>
<b>b) Grants /Transfers from the Government</b>		
Grants from National Govt	15,500,000	1,500,000
<b>Total</b>	<b>15,500,000</b>	<b>1,500,000</b>
<b>c) Expenses incurred on behalf of related parties</b>		
<b>Total</b>	<b>0</b>	<b>0</b>
<b>d) Key Management Compensation</b>		
<b>Total</b>	<b>0</b>	<b>0</b>

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**29. Events After The Reporting Period**

1. The principal retired and new principal was appointed by the ministry of education.
2. There were no material adjusting and non-adjusting events after the reporting period.

**30. Ultimate and Holding College**

The college is a Tertiary 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) and the values are rounded off to the nearest shilling.

32. Appendices

**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<b>Basis for Qualified opinion 1</b>				
1.	Inaccuracies in the statement of cashflows	Inaccuracies occasioned by arithmetic errors	Resolved	
2.	Unsupported property, plant and equipment due lack of ownership documents to motor vehicle and land	The management is working in liaison with the relevant agencies to acquire the relevant ownership documents	Resolved	31 <sup>st</sup> March,2026
3	Overpayment of board expenses	The management have committed to adhere to government circulars towards board remuneration	Not resolved	31 <sup>st</sup> January, 2026
<b>Emphasis of Matter</b>				
1	Budgetary control performance	The management is committed towards full utilisation of collected revenue in realisation of value for money	Resolved	
<b>Report on lawfulness and effectiveness in the use of public resources</b>				
1	Ineffective implementation of contract	The contract is under implementation and review	Not resolved	31 <sup>st</sup> December, 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	Lack of staff ethnic diversity	The management endeavour to adhere to staff diversity in its future recruitment	Not resolved	30 <sup>th</sup> June, 2026
<b>Report on effectiveness of internal controls, risk management and governance</b>				
1	Lack of bank reconciliation statements	The management adhered to this requirement	Resolved	
2	Lack of internal audit function	Resolved by outsourcing the function from the neighbouring colleges	Resolved	
3	Lack of human resource function	Not resolved but HR matters are handled by the Deputy principal administration and finance	Resolved	30 <sup>th</sup> June, 2025

MATHIOYA TECHNICAL AND  
 VOCATIONAL COLLEGE  
 P. O. Box 363 - 10204,  
 KIRIA-INI



**David Chege Githaiga**  
**Accounting Officer/Principal**

**Date: 26<sup>th</sup> August, 2025**

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**Appendix II- Inter- Inter-Entity Confirmation Letter**

Name of transferring entity: State Department for Technical Education and Training

Name of beneficiary entity: Mathioya Technical and Vocational College

Confirmation of amounts received by Mathioya Technical and Vocational college as at 30 <sup>th</sup> June,2025							
Reference Number	Date Disbursed	Recurrent Grants (A)	Development (B)	Capitation (C)	Scholarship(D)	Total (E)=(A+B+C+D)	Remarks
	15/07/2024	500,000				500,000	Fully disbursed
	20/09/2024				443,447	443,447	Fully disbursed
	20/09/2024				409,853	409,853	Fully disbursed
	20/09/2024				26,875	26,875	Fully disbursed
	20/09/2024			865,100		865,100	Fully disbursed
	24/09/2024				557,669	557,669	Fully disbursed
	02/10/2024	500,000				500,000	Fully disbursed
	29/11/2024		10,000,000			10,000,000	Fully disbursed
	21/01/2025	500,000				500,000	Fully disbursed
	20/02/2025			1,599,000		1,599,000	Fully disbursed
	04/06/2025	500,000				500,000	Fully disbursed
	17/06/2025	500,000				500,000	Fully disbursed
	20/06/2025	3,000,000					Fully disbursed
<b>Total</b>		<b>5,500,000</b>	<b>10,000,000</b>	<b>2,464,100</b>	<b>1,437,844</b>	<b>19,401,945</b>	
		I confirm that the amounts shown above are correct as of the date indicated.					
		<b>Head of Accounts Department - Disbursing College:</b>					

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		Name .....	Sign .....	Date .....
		Head of Accounts Department - Beneficiary College:		
		Name <i>MARTIN Kamau</i> .....	Sign  .....	Date <i>26/08/2025</i> .....