

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS L.A. 10

DATE: 22 FEB 2023

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| TABLED BY: | HON. DWYEN BAYA, MP |
| CLERK OF THE TABLE: | CHRISTINE NDIRITU |

REPORT

OF

THE AUDITOR-GENERAL

ON

**MASAI TECHNICAL TRAINING
INSTITUTE**

**FOR THE YEAR ENDED
30 JUNE, 2019**

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MASAI TECHNICAL TRAINING INSTITUTE

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2019**

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

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I. KEY INSTITUTE INFORMATION AND MANAGEMENT

a) Background information

Masai Technical Training Institute is a Government institution under Technical, Vocational Education & Training Authority (TVETA), under the Ministry of Education. It is situated in Kajiado Town (Along Nairobi – Namanga Road) 70 Kms from Nairobi. It has a huge staff of fully qualified Trainers in their respective fields.

The institute started offering Technical courses in 1986. Since then, the institute has registered more than twelve thousand (12,000) trainees.

A Board of Governors appointed by the Ministry of Education manages the institute. The day-to-day management of the institute is vested in the principal.

b) Principal Activities

The principal activity of the institute is to impart technical and vocational skills to youths in Kenya. The institute offers a wide range of technical courses under the following academic departments;-

- i. Building and Civil Engineering
- ii. Hospitality and Institutional Management
- iii. Mechanical Engineering
- iv. Electrical and Electronics Engineering
- v. Liberal Studies
- vi. Business
- vii. E-Learning -Open and distance Learning
- viii. Information Communication Technology

Vision: A leader in providing quality technical and business education.

Mission: To excel in producing competent manpower in technical and business fields for self-Sustainability and responsible citizenship.

Core values

- i. Professionalism
- ii. Integrity
- iii. Customer focus
- iv. Teamwork
- v. Innovation & creativity

Strategic Objectives:

- i. The specific strategic objectives of Masai Technical Training Institute are to;
- ii. To provide training in business and technical education.

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- iii. To embrace science, technology and innovation in everyday life.
- iv. To produce market-oriented manpower.
- v. To implement the training objectives of the Ministry of Education.
- vi. To provide an environment for creativity and innovation.

c) Institute Headquarters

P.O. Box 125-011000
Kajiado
Kajiado, Namanga Road
Kenya

d) Institute Contacts

Telephone: 020 2064581
Mobile (254) 0727738161
E-mail: Info@masaitech.ac.ke
Website: www.masaitech.ac.ke

e) Institute Bankers

1. Kenya Commercial Bank
Kajiado Branch
P.O. Box 43-0100
Kajiado, Kenya
2. Equity Bank
Kajiado Branch
P.O. Box 536-0100
Kajiado, Kenya
3. Cooperative Bank
Kajiado Branch
P.O. Box 454-01100
Kajiado, Kenya

f) Independent Auditors

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





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g) Principal Legal Advisor

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

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II. BOARD OF GOVERNORS

| S/ NO | NAME | GEN | QUALIFICATION | POS | DOB | UNIVERSITY | AREA OF SPECIALIZ/ |
|----------|---|-----|-----------------------------------|---|------|-----------------------|---------------------------------|
| 1. | <p>Mr. Joshua Polong</p>  | M | Bachelor Of Arts(Hon),S. Ed (Hon) | Chairman | 1943 | University of Nairobi | Education |
| 2. | <p>Mr. Wesley Yegon</p>  | M | MBA | Principal/ Secretary | 1969 | Moi University | Accounting Strategic Management |
| 3. | <p>Ms Maryan A.Hassan</p>  | F | Bachelor of Arts-Education | Nairobi Region County Board of governors TVET | 1969 | Kenyatta University | Education |
| 4. | <p>Kisenya Rhodah Tete</p>  | F | Bachelor of Science | Member | 1983 | Moi University | Electrical An Communicat ICT |




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BOARD COMMITTEES





| Name of the Committee | Members |
|---|--|
| Education, Training & Research Committee | 1. Joshua Polong 2. Maryann Hassan 3. Rhoda Tete 4. Geoffrey Malakwen |
| The Finance, Resource Mobilization & Infrastructure Committee | 1. Joshua Polong 2. Maryann Hassan 3. Rhoda Tete 4. Geoffrey Malakwen |

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III. MANAGEMENT TEAM

| S/ NO | NAME | GEN | QUALIFICATI ON | POS | AREA OF SPECIALIZATION |
|----------|---|-----|-------------------|-----------------|------------------------------------|
| 1. | Mr . Wesley Yegon  | M | MBA | Principal | Accounting Strategic Management |
| 2. | Dr. Wahome Rureri  | M | PHD | D/Principal ADM | Strategic Management |
| 3. | Ms. Teresa Njue  | F | MBA | D/Principal AA | Education |
| 4. | Mr. Livingstone Mwaura | M | MBA | Registrar | Project Management |

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| | | | | | |
|----|---|---|----------------------|-------------------------------|--|
| |  | | | | |
| 5. | Ms. Lydia Gwendo  | F | MBA | Dean of Trainees | Education |
| 6. | Dr. Dorcas Asiago  | F | PHD | QASO | Education, Administration and Planning |
| 7. | Mr. Raphael Kagwanja  | M | Bachelors of Science | ISO Management Representative | Mathematics |
| 8. | Mr. Francis Wambua | F | MSC | PC Coordinator | Information Systems Engineering |

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| | | | | | |
|-----|---|---|---------------------|---------------------|------------------------------------|
| |  | | | | |
| 9. | Mrs. Millicent Onyango  | F | Master of Education | ILO | Guidance and Counselling |
| 10. | Ms.Emily Nashipae  | F | BCOM | FINANCE OFFICER | Finance |
| 11. | Mr Dominic Sang  | M | Bachelors | PROCUREMENT OFFICER | Purchasing And Supplies Management |

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h) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

| No. | Designation | Name |
|------------|------------------------------------|------------------------|
| 1. | Principal/Sec BOG | Mr. Wesley Yegon |
| 2. | Deputy Principal Administration | Dr. Wahome Rureri |
| 3. | Deputy Principal Academics Affairs | Mr. Teresa Njue |
| 4. | Registrar | Mr. Livingstone Mwaura |
| 5. | Finance Officer | Ms. Emily Nashipae |
| 6. | Procurement Officer | Mr. Dominic Sang |
| 7. | Dean Of Trainees | Ms. Lydia Gwendo |
| 8. | Management Representative (QMR) | Mr. Raphael Kagwanja |
| 9. | PC Coordinator | Mr. Francis Wambua |
| 10. | Industrial Liaison Officer | Ms. Millicent Onyango |
| 11. | Quality Assurance Officer -Quaso | Dr. Dorcas Asiago |

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CHAIRMAN'S STATEMENT

On behalf of the Board of Governors, I am pleased to present the institute annual Report statement for the year ended 30th June, 2019; I wish to point out an impressive performance characterized by remarkable improvements in operational performance as well as expansion of the Institute Infrastructure.

INSTITUTE MANDATE

As a public Tvet Institution, Masai Technical Training Institute (MTTI) recognises its pivotal role in helping Kenya to achieve development goals through training, research and innovation. In this respect Masai Technical Training Institute providing skills, knowledge and technology required to steer the country towards achieving the economic, social and political goals as enshrined in National development instruments.

The institute will continue to reposition its main brands within the context of the markets requirements, customer satisfaction and cost rationalisation.

The need to meet this objective over the years has remained the central focus of the institute.

The Board of Governance is confident that the institute performance of its mandate is at high level to address the requirement for human resource for TVETS in the country

Achievements

The Board has developed a cordial working relationship with devolved units of Government resulting to attraction of support in which the institute entered into partnership with Kenya Commercial Bank and County Government of Kajiado Tujiajiri Programme. This boosted innovation and research of which 294 (two hundred and ninety four) students were equipped with skills in various technical courses that would lead to self-employability.

Also, during the year the institute participated in the Robotics and innovation contest at Kenya Coast National Polytechnic and Nairobi Region institutes Drama Festival

Which their performance preceded to the national level at Kabarak University emerging position three hence shall proceed to participate at the East Africa Level.

This will go a long way in nurturing talents and creating all rounded students for self-employability.

The Board has approved 2019-2023 strategic plans for the Institute. It provides a clear direction of the institute specific targets that we seek to achieve in the next five years. Specifically the strategic plan sets out strategic issues for achievement in the planned period.

Future Outlook

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The Board is spearheading the revision of policies to ensure they are properly aligned to the emerging governance issues. This will ensure that the institute Competitive edge is sharpened and it continues to offer training services in a more broadened perspective.

Challenges

The institute has grappled with an increased demand for technical education against constrained institute resource. Due to an increase in student's numbers, the Library, classes and workshops have been overstretched and this has been a major challenge due to inadequate funding thus the need to enhance development grants. In addition, the prolonged drought and famine has resulted to increased expenditure.

Appreciation

Finally, I wish to thank the Government and other organizations for the support they have continued to give. On behalf of the Board of governors, I thank the institute staff for their exemplary dedication and commitment in institution.



Dr. Isaac Mapenay

BOG Chairman

20th June, 2022

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

REPORT OF THE PRINCIPAL

The year 2018/19 was a great success to Masai Technical Training Institute. As we conclude the year it gives me and my staff joy and confidence that our understanding and implementation of strategies and policies set by the board has and is yielding results and is on course as it continues to be a model institution in providing quality technical training.

Institute Performance

During the year, 900 new students joined the institute for training while 300 graduated with various Certificates, Diplomas and Higher Diplomas in different courses to serve Kenyans and as part of efforts to generate new knowledge that is aimed at advancing the Technical training of Kenyans.

The institute is 9001:2015 ISO Certified and compliant.

I am pleased to present the end year financial report and accounts for Masai Technical Training Institute for the year ended 30th June 2019.

The institute growth has seen students' population increase to two thousand three hundred (2,300). This leads to constraints in our physical facilities such as tuition block, library, hostels and workshops.

However, the year under review, the institute utilized its internally generated funds to construct Electrical, Masonry, and Plumbing Workshops, Modern staff toilet, basketball pitch, kitchen and extra tuition blocks, additional store, kitchen renovation and extension which are all on going on.

CORPORATE GOVERNANCE STATEMENT

One of the core values is effective corporate governance. There are benefits of a properly implemented effective corporate governance system as it provides stakeholders confidence. The Institute has built its operations on strong corporate governance principles based on the application of high and consistent ethical standards in its relationships with all customers, employees and other stakeholders.

This is consistent with the institutions core values of effective corporate governance that has led to a strong commitment to conduct business in accordance with best business practices based on principles of transparency, accountability and responsibility, monitoring compliance with relevant laws and regulations, risk management, appropriate checks and balances and the delivery to commitments to all stakeholders. Ethical leadership and integrity, socio-environmental responsibility and determination of Institute strategy are the key principles that are taken into account while setting governance standards for the Institute. The Institute has kept abreast with international developments in corporate governance for the promotion of enhanced transparency, integrity and rule of law.

The Board of governors is the representative of the stakeholders, and has the duty of reviewing of Institute performance, protecting assets, advising the Principal on strategy and nurturing the next generation of leaders. Board of Governors are all responsible for ensuring proper and sound corporate governance within the Institute. Good corporate governance is therefore a fundamental part of the culture and the business practices of the Institute

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Oversight role of Board of Governors

The Board of governors' most significant responsibilities includes guiding the institution with view to ensuring long-term, sustainable returns for stakeholders, whilst delivering exceptional services to our customers and having regard to the interests of all other stakeholders, including staff, regulators and the communities in which the Institute operates. The Board provides strategic direction with a focus on consistent business performance in an atmosphere of transparency and accountability whilst reviewing and monitoring proper governance throughout the institution. The Board has provided strong leadership to the institution, resulting to institution expanding its enrolment and generated stakeholder wealth.

The Board has attracted outstanding governors who have grown great commitment and enthusiasm in discharging their duties and obligations to the institution while also demonstrating the spirit and ethos of the organization. The governors subscribe to the code of corporate governance and practices which guides them in the fulfilment of their duties and responsibilities to shareholders, customers, employees and respective communities. The code of corporate practices provides guidance on the following principles among others.

a) Principle on the appointment, composition, and qualification of the Board members

The code states that appointment to the Board shall consider academic qualifications, technical expertise, experience, age and gender. The appointment of Board of governors is done by the Cabinet Secretary and appointment letters are issued. The Board is in adherence to this principle.

b) Principle on Board composition

In accordance with the code, the Board shall ensure that no one person or group of persons shall have unfettered power and that there is an appropriate balance of power on the Board, and one third shall be independent members so that the board can exercise objective and independent judgment, as well as adequately represent minority stakeholders. No one person or persons has unfettered power and there is an appropriate balance of power and authority on the Board.

The code states that board of governors have the following fiduciary duties:

- i. Duty to act within its powers; board of governors is required to only exercise their powers for purposes which they were conferred;
- ii. Duty to avoid conflicts of interest; a board member should identify and disclose the nature of a conflict and procure authorization for the same if permitted. Conflicts of interests include situational conflict, transactional conflicts and third party benefits
- iii. Duty to declare interests in proposed or existing transactions or arrangements
- iv. Determine the organization's mission, vision, purpose and core values
- v. Set and oversee the overall strategy and approve significant policies of
- vi. the organization.
- vii. Ensure that the strategy is aligned with the purpose of the organization
- viii. and the legitimate interests and expectations of its stakeholders.
- ix. Ensure that the strategy of the organization is aligned to the long term goals of the organization on sustainability so as not to compromise the ability of future generations to meet their own needs.
- x. Approve the organizational structure

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- xi. Approve the annual budget of the organization.
- xii. Monitor the organization's performance and ensure sustainability.
- xiii. Enhance the corporate image of the organization.

- xiv. Ensure availability of adequate resources for the achievement of the organization's objectives.

- xv. Approve the appointment of senior management staff.
- xvi. Ensure effective communication with stakeholders.

c) Principle on roles of chairperson and the Board Secretary

The code recognizes the need to differentiate and distinguish between the roles played by the Chairman and Board Secretary. The roles are distinct and there is clear separation and the offices are held by different people in the Institute.

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d) Principle on induction and continuous skill development The code points out that on appointment to the Board and board committees, all governors will receive a comprehensive induction on their individual requirements in order to become as effective as possible in their role within the shortest applicable time. These skills and knowledge shall be updated at regular intervals. The objective of this training is to among others, build an understanding of the Institute main relationships and ensure an understanding of the role of governors and the framework within which the Board operates. The Governors are well trained and updated on matters of the Institute and governance.

e) Principle on Board tools

The Institute has a Board calendar developed annually to guide the activities of the Board.

f) Compliance with laws and regulations

The Institute complies with the constitution of Kenya 2010, TVET ACT 2013, code of governance, and other government law, regulations and procedures.

g) Committees of the Board

To effectively discharge its mandate, The Board functions through three (3) committees as stated;

1) Finance & infrastructure Committee

2) Academic Committee

3) Audit Committee

Masai technical training institute's Board remains collectively responsible for the decisions and actions taken by any committee. A committee only performs the tasks delegated to it by the Board and does not exceed the authority or the powers of the Board

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**MANAGEMENT DISCUSSION AND
ANALYSIS FINANCIAL HIGHLIGHTS**

Employee costs, General expenses, Repairs and maintenance and operational expenses accounted for 17%, 45%, 19%, and 18% respectively, whereas Board expenses took about 1.2% of the total resource application. There was an increase in revenue collection from exchange transactions of Kshs.170,067,765 million. This is largely due to the increase in the enrolment of National Youth Service sponsored students.

KEY PROJECTS/INVESTMENT DECISIONS IMPLEMENTED

The Institute managed to increase the number of enrolled students from 800 as at 30th June 2017 to 2500 in 2018. This is in line with the Big four Agenda to equip students with various skills as well as construction of the first 850 metres institute perimeter wall and a digital textile workshop

COMPLIANCE WITH STATUTORY REQUIREMENTS

The Institute in compliance with the Public Procurement and Disposal regulations managed to allocate projects to youth, women, and people with disability. This is amounted to 33% of procurement budget.

The Institute in compliance with the Public Procurement and Disposal Act developed a procurement plan as part of the budgeting process and submitted it to the relevant bodies within the statutory deadlines. The quarterly procurement plan implementation reports were submitted to Public Procurement and Oversight Authority in the required format.

The institute has also been remitting statutory deductions such as Pay As You Earn, NHIF, NSSF and HELB as required by law.

In compliance with the Public Finance and Management Act, the institute did the following:

- i. Submission of the Quarterly Financial report the National Treasury by 15TH of the following Month after the end of the quarter
- ii. Submission of Annual Procurement Plan by 15th July 2018.
- iii. Compliance with other circulars from National treasury issued in 2018/2019

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CONCLUSION

The institute's financial performance has been strong and improving. There have not been any material arrears in statutory or any other financial obligations that are likely to affect the going concern status of the institute. The institute is impressively performing and has a lot of opportunities for growth.

**CORPORATE SOCIAL RESPONSIBILITY
STATEMENT/SUSTAINABILITY REPORTING**

The institute acknowledges her responsibilities to the society by playing an active role on public issues. The institute contributes to the community support initiative and in the year under consideration, the institute was involved in the following activities:-

- 1) National Tree planting
- 2) Sponge City -Water Forum
- 3) Offering institute game fields for County government of Kajiado and Kajiado Children's' Home.

**REPORT OF THE COUNCIL/BOARD OF
GOVERNORS REPORT OF THE BOARD
OF GOVERNORS**

The Board of Governors have the pleasure of presenting their report together with the Financial Statements for year ended 30th June 2019 which show the state of the Board's affairs.

PRINCIPAL ACTIVITIES

The Board is primarily engaged in management of Masai Technical Training Institute together with other mandates specified in TVET Act 2013. RESULTS

The results of the institute for the year ended June 30, 2019 are set out on pages 30 to 49

BOARD OF GOVERNORS

The Board of Governors who held office during the year are shown on pages 6 to 7.

A shall hold office for a period of three years from the date of appointment as specified in the instrument of appointment, but shall be eligible for re-appointment.

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FINANCIAL STATEMENTS

At the date of this report, The Board was not aware of any circumstances which would have rendered the financial statement misleading.

AUDITORS

The Auditor General is responsible for statutory audit of Institutes accounts in accordance with section 81 of the Public Finance Management (PFM) Act, 2012 and section 14 and 39 (i) of chapter 12 of the Laws of Kenya, Public Audit Act, 2013.

A handwritten signature in blue ink, appearing to read 'Isaac Bwambok', is written over a horizontal dotted line. The signature is stylized and extends above and below the line.

Isaac Bwambok(Mr.)

Principal/BOG Secretary

20th June, 2022

**STATEMENT OF BOARD OF GOVERNORS/ COUNCIL
MEMBERS' RESPONSIBILITIES**

The Public Finance Management Act Section 81, requires the Board of Governors to prepare financial statements in respect to the institute which give a true and fair view of the state of the institute affairs at the end of each financial year and operating results of the institute for that year. The Board of Governors is required to ensure that the institute maintains proper accounting records which disclose, with reasonable accuracy, the financial position of the institute. The governors are responsible for safeguarding the assets of the institute.

The governors are responsible for preparation and presentation of the Institutes Financial Statements, which give a true and fair view of the state of affairs of the institute for and as at the end of financial year ended June 30, 2019. This responsibility includes:

- i. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the period;
- ii. Maintaining proper Accounting records, which disclose reasonable accuracy at any time financial position of the institute;
- iii. Designing, implementing and maintaining Internal Controls relevant to preparation and fair presentation of Financial Statements, and ensuring they are free from Material Misstatements, whether due to error or fraud;
- iv. Safeguarding the assets of the institute;
- v. Selecting and applying appropriate Accounting Policies; and
- vi. Making accounting estimates that are responsible in the circumstances. The Board of Governors accepts responsibility of Financial Statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimate, in conformity with International Public Sector Accounting Standards (IPSAS), and in manner required by PFM Act. The Board of Governors confirm the completeness of accounting records maintained for the Institute; which have been relied upon in the preparation of the Institutes financial statements as well as the adequacy of the systems of financial control. Nothing has come to the attention of the Board of Governors to indicate that the Institute will not remain a going concern for at least the next twelve months from the date of this statement.

The Board of Governors are of the opinion that the Institute's financial statements give a true and fair view of its transactions during the financial year ended June 30, 2019.

The institutes Financial Statements were approved by the Board and signed on behalf by



Isaac Bwambok (Mr.)
Principal/BOG Secretary

Date: 20/06/2022

PRINCIPAL
MASAI TECHNICAL TRAINING INSTITUTE
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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MASAI TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Masai Technical and Vocational College set out on pages 21 to 43, which comprise of the statement of financial position as at 30 June, 2019, statement of financial performance, statement of cash flows and the 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 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, because of the significance of the matters described in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of the Masai Technical and Vocational College as at 30 June, 2019, 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 do not comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements presented for audit reflects the following anomalies: -

- i. The Institution has been in existence since the year 1986, however, the financial statements do not contain audited balances for the financial year 2017/2018.
- ii. The revenue and expenses actual amounts reflected in the statement of comparison of budget and actual amounts varies with the amounts reflected in the statement of financial performance.
- iii. The statement of financial position reflects cash and cash equivalents balance of negative Kshs.509,076 while the statement of cashflow reflects a balance of Kshs.12,507,694 resulting to unexplained variance of Kshs.13,016,770.
- iv. The statement of financial position reflects unexplained balance of negative Kshs.5,842,777.

- v. The statement of financial position reflects property, plant and equipment balance of Kshs.596,392,674 being additions for the year. However, the statement of cashflow reflects an amount of Kshs.5,635,314 as purchase of property, plant and intangible assets resulting to unexplained variance of Kshs.590,757,360. Further, changes in working capital of Kshs.6,162,830 have been classified under investing activities.
- vi. Capital reserves and receivables from non-exchange transactions amounting to Kshs.590,757,360 and Kshs.100,130,950, respectively were omitted in the statement of cashflow under financing and changes in working capital respectively.
- vii. The financial statements do not contain a statement of changes in net assets.
- viii. The statement of financial position reflects an unexplained or unsupported capital reserves balance of Kshs.590,757,360 and accumulated surplus of Kshs.75,284,250.

In the circumstances, the accuracy, presentation and disclosure of the financial statements presented for audit as at 30 June, 2019 could not be confirmed.

2. Unsupported Expenditure on Contracted Services

The statement of financial performance reflects contracted services amounting to Kshs.1,434,187 and as disclosed in Note 14 to the financial statements. However, ledgers, payment vouchers and other supporting documents relating to procurement of contracted services were not provided for audit.

In the circumstance, the accuracy, completeness and validity of the expenditure amounting to Kshs.1,434,187 could not be confirmed.

3. Irregular Payment of Wages

The statement of financial performance reflects an amount of Kshs.21,197,804 in respect of employee costs and as disclosed in Note 10 to the financial statements. Analysis of the documents presented for audit revealed that the Institute had engaged casuals during the year under review who were paid an amount of Kshs.616,110. However, there were no formal requests made by the Departmental Heads on the need for engaging casuals. Further, there was no documentary evidence on their recruitment process and terms and conditions of service.

In the circumstances, the validity and accuracy of the expenditure of Kshs.616,110 could not be confirmed.

4. Unreconciled Revenue

The statement of financial performance reflects an amount of Kshs.100,602,445 in respect of rendering of services fees and as disclosed in Note 6 to the financial statements. However, review of ledgers and other supporting documents provided for audit reflects an amount of Kshs.75,256,600 resulting to unexplained variance of Kshs.25,345,845.

In the circumstances, the accuracy and completeness of the revenue collected could not be confirmed.

5. Irregular and Unsupported Expenditures

5.1 Board Allowances

The statement of financial performance reflects remuneration of Board of Governors (BOG) totalling Kshs.3,048,770 and as disclosed in Note 11 to the financial statements. However, supporting payments vouchers provided for audit, amounted to Kshs.2,647,270 resulting to an unexplained variance amounting to Kshs.401,500.

In addition, review of the payment vouchers revealed that BOG expenditure totalling Kshs.2,555,400 though signed, were inadequately supported and others totalling Kshs.410,100 were not signed. Further, payment vouchers totalling Kshs.21,500 were not posted to the ledger and an amount of Kshs.619,100 were paid to individuals whose names did not appear in the BOG membership list.

5.2 General Expenditure

The statement of financial performance reflects general expenses totalling Kshs.31,803,740 and as disclosed in Note 16 to the financial statements. Review of records provided revealed the following inadequacies: -

- i. An amount of Kshs.480,000 was paid to an individual for preparing human resource policy documents but no supporting documents or reports prepared were provided for audit.
- ii. Some members of staff were paid allowances totalling Kshs.3,568,280 while on official duties while others were paid seminar allowances totalling Kshs.568,634. However, no imprest warrants and surrender documents were provided for audit.
- iii. The Institute carried out cash purchases totalling Kshs.855,942 instead of sourcing them from prequalified suppliers as per the Public Procurement and Asset Disposal Act, 2015.
- iv. The Institution purchased assets worth Kshs.2,366,442 during the year under review, which were charged to general expenses account instead of being capitalized.

5.3 Use of Goods and Services

The statement of financial performance reflects use of goods and services amount of Kshs.119,541,316 and as disclosed in Note 9 to the financial statements, which includes Kshs.24,189,478 in respect of examination fees. However, payments amounting to Kshs.16,855,780 were not supported. Further, an amount of Kshs.2,865,486 of goods purchased were not inspected and accepted, received and issued.

In the circumstances, the accuracy and completeness of examination fees of Kshs.24,189,478 could not be confirmed.

6. Unconfirmed Property, Plant and Equipment

As disclosed in Note 24 to the financial statements, the statement of financial position reflects property, plant and equipment balance of Kshs.596,392,674. Review of records provided revealed that this balance was not supported with detailed analysis. Further, based on the documents provided, the balance excludes an amount of Kshs.60,757,360 which relates to the value of motor vehicles and loose assets as per the valuation certificates. No depreciation was charged on the Institute's property, plant and equipment contrary to the adopted depreciation policy. In addition, the size of the Institute's land as per the Letter of Allotment is 19.25 Hectares. However, no title deed to confirm ownership of the land was provided for audit.

In the circumstances, the accuracy, existence, completeness, presentation and validity of the property, plant and equipment balance of Kshs.596,392,674 could not be confirmed.

7. Unconfirmed Trade and Other Payables

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.35,941,350 and as disclosed in Note 22 to the financial statements while the supporting schedule reflects an amount of Kshs.13,973,155 resulting to unexplained variance of Kshs.21,968,195. Further, the Management did not provide an ageing analysis of the trade and other payables from exchange transactions.

In the circumstances, accuracy and completeness of trade and other payables balance of Kshs.35,941,350 could not be confirmed.

8. Unsupported Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of negative Kshs.509,076 and as disclosed in Note 17 to the financial statements. However, the Note has a casting error amounting to Kshs.18,300. Further, the balance was not supported with cash book extracts, bank reconciliation statements and certificates of bank balance.

In addition, the balance includes three (3) overdrawn banks with a negative balance of Kshs.9,319,562. No approval for the overdrawing of the accounts was provided.

In the circumstances, the accuracy and existence of the cash and cash equivalents balance of negative Kshs.509,076 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Masai Technical and Vocational College Management in accordance with ISSAI 130 on 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 adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparison of Kshs.520,702,399 and Kshs.143,165,606 resulting to an under funding of Kshs.377,536,793 or 73% of the budget amount. Similarly, the Institute spent Kshs.152,669,648 against an approved budget of Kshs.520,702,399 resulting to an under expenditure of Kshs.368,032,751 or 71% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on the service delivery of the Institute.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that, public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Payments Made to a Firm that was not Contracted

A firm was awarded a tender for construction works in the Institute at a contract sum of Kshs.57,542,785. Review of payment certificates No. 1 to 10 revealed that, although the firm won the contract, the payments were made to another firm that had quoted a sum of Kshs.53,497,739 but failed in the second phase of evaluation, which required the main contractors to have their own subcontractors for both electrical and mechanical works. However, the latter firm was paid a total of Kshs.57,542,785 which had been quoted by the firm that won the tender. Further, the contract price of Kshs.57,542,785 was inclusive of tax amounting to Kshs.1,671,415 which was not remitted to Kenya Revenue Authority. This contradicts Section 86(1) of the Public Procurement and Asset Disposal Act, 2015 which states that the successful tender shall be the one who meets any of the following as specified in the tender document.

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

2. Non-Compliance with the Law on Ethnic Composition

Review of staff records provided for audit, revealed that the Institute had a total of forty-two (42) permanent employees out of whom 18 or 43% of the employees were from the

dominant ethnic community in the region contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

3. Non-Compliance with the One-Third of Basic Salary Rule

During the year under review, fourteen (14) employees earned a net salary of less than a third (1/3) of the basic salary contrary to Section C.1(3) of the Public Service Commission (PSC) Human Resource Policies, 2016 and this may expose the staff to pecuniary embarrassment. The Management did not explain failure to comply with the policy.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that, internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Lack of Risk Management Policy and Strategy

The Management had not put in place Risk Management Policy, Strategies, and Risk Register to mitigate against risk. It was, therefore, not clear how the Management manages risk exposures. This is in contravention of Regulation 158 (1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the Accounting Officer to ensure that the county government entity develops risk management strategies, which include fraud prevention mechanism; and the county government entity develops a system of risk management and internal control that builds robust business operations. Further, the Management did not carry out risk assessment during the year under review and Management was in breach of the law.

In the circumstances, the Institute may not be able to identify, assess and control threats that may affect its continuity in future.

2. Lack of Staff Establishment

The Management did not provide an approved staff establishment that indicates the optimal number of staff for each category, the numbers in post and the variance. In the absence of an approved establishment, it was not possible to ascertain whether the Institute was operated within an optimal level of staff establishment.

In the circumstances, right optimal number of staff numbers in post and the variance could not be confirmed.

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

Responsibilities of Management and 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 control 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 control, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Institute's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 August, 2022

**MASAI TECHNICAL TRAINING INSTITUTE
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V. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

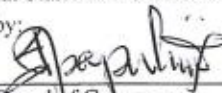
| | | FY 2018-2019 | FY 2017-2018 |
|---|------|--------------------|--------------|
| | Note | | |
| Revenue from non-exchange transactions | | | |
| Transfers from the National government-Capitation | 4 | 99,585,758 | - |
| Transfers from other government agencies | 5 | 27,265,500 | - |
| Total revenue from non-exchange transactions | | 126,851,258 | - |
| Revenue from exchange transactions | | | |
| Rendering of services | 6 | 100,602,445 | - |
| Other incomes | 7 | 9,574,094 | - |
| Rental revenue from facilities and equipment | 8 | 3,064,057 | - |
| Total revenue from exchange transactions | | 113,240,596 | - |
| Total revenue | | 240,091,854 | - |
| Expenses | | | |
| Use of Goods and Services | 9 | 119,541,316 | - |
| Employee costs | 10 | 21,197,804 | - |
| Remuneration of Board of Governors | 11 | 3,048,770 | - |
| Depreciation and amortization expense | 12 | - | - |
| Repairs and maintenance | 13 | 31,003,160 | - |
| Contracted services | 14 | 1,434,187 | - |
| Grants and subsidies | 15 | 25,718,013 | - |
| General expenses | 16 | 31,803,740 | - |
| Total expenses | | 233,746,990 | - |
| (Deficit) for the Year | | 6,344,864 | - |

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VI. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019


| | | FY 2018- 2019 | FY 2017-2018 |
|---|-------------|--------------------|--------------|
| | | Kshs | |
| ASSETS | Note | | |
| Current assets | | | |
| Cash and cash equivalents | 17 | -509,076 | - |
| Receivables from non- exchange transactions | 18 | 100,130,950 | - |
| Receivables from exchange transactions | 19 | 4,374,642 | - |
| Related party balances | 20 | - | - |
| Inventories | 21 | 1,593,770 | - |
| Total Current Assets | | 105,590,286 | - |
| | | -5,842,777 | - |
| Non-current assets | | | |
| Property ,plant and equipment | 24 | 596,392,674 | - |
| Total non-current assets | | 596,392,674 | - |
| | | | |
| TOTAL ASSETS | | 701,982,960 | - |
| | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables from exchange transactions | 22 | 35,941,350 | - |
| Trade and other payables from non-exchange transactions | | - | - |
| Total current liabilities | | 35,941,350 | - |
| Total liabilities | | 35,941,350 | - |
| | | | |
| Net assets | | | |
| Accumulated surplus | | 75,284,250 | - |
| Capital reserves | | 590,757,360 | - |
| Total net assets | | 666,041,610 | - |
| | | | |
| TOTAL NET ASSETS AND LIABILITIES | | 701,982,960 | - |

The Financial Statements set out were signed on behalf of the Board of Governors by:


Chairman -Board of Governors


Principal-Sec Board of Governors

Date: 28/06/2022


Finance Officer

Date: 28/6/2022

FINANCE OFFICER
MASAI TECHNICAL TRAINING INSTITUTE
P. O. Box 125 - 01100, KAJIADO.
TEL: 020 206 4581

ICPAK M/NO.:.....28239

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VII. STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2019

| | | FY 2018-2019 | FY 2017-2018 |
|--|------|--------------|--------------|
| | Note | Kshs | Kshs |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from Government National government & other grants | 4 | 99,585,758 | - |
| Transfers from other government entities | 5 | 27,265,500 | - |
| Rendering of services- Fees from students | 6 | 100,602,445 | - |
| Rental revenue from facilities and equipment | 8 | 3,064,057 | - |
| Other income | 7 | 9,574,094 | - |
| Total Receipts | | 240,091,854 | - |
| Payments | | | - |
| Use of Goods and Services | 9 | 119,541,316 | - |
| Employee costs | 10 | 21,197,804 | - |
| Remuneration of Board of Governors | 11 | 3,048,770 | - |
| Repairs and maintenance | 13 | 31,003,160 | - |
| Contracted services | 14 | 1,434,187 | - |
| Grants and subsidies | 15 | 25,718,013 | - |
| General expenses | 16 | 31,803,740 | - |
| Total Payments | | 233,746,990 | - |
| Net cash flows from operating activities | | 6,344,864 | - |
| Cash flows from investing activities | | | - |
| Purchase of property, plant, equipment and intangible assets | | (5,635,314) | - |
| Decrease in Inventory | | (1,593,770) | - |
| Decrease in non-current receivables | | (22,549,436) | - |
| Increase in payables | | 35,941,350 | - |
| Net cash flows used in investing activities | | 6,162,830 | - |
| Net increase/(decrease) in cash and cash equivalents | | 12,507,694 | - |
| Cash and cash equivalents at 1 July 2020 | 17 | - | - |
| Cash and cash equivalents at 30 June 2021 | 17 | 12,507,694 | - |

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I. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

| | Original budget | Adjustments | | Final Budget | | Actual | Variance | Change % | Explanation of material variances |
|---|--------------------|-------------|---|--------------------|---------|--------------------|-------------|----------|-----------------------------------|
| | | Shs | b | Shs | c= a +b | | | | |
| Revenue | | | | | | | | | |
| Transfer from National government | 102,240,000 | - | | 102,240,000 | | 49,917,500 | 52,322,500 | 51% | (a) |
| Transfers from other levels of Government | 199,491,839 | - | | 199,491,839 | | 31,382,833 | 168,109,006 | 84% | (b) |
| Rendering of services and other incomes | 218,970,560 | - | | 218,970,560 | | 61,865,273 | 185,315,249 | 85% | (c) |
| Total income | 520,702,399 | | | 520,702,399 | | 143,165,606 | | | |
| Expenses | | | | | | | | | |
| Use of Goods and Services | 198,840,796 | - | | 198,840,796 | | 65,652,648 | 150,007,604 | 75% | (d) |
| Personnel emoluments | 34,253,547 | - | | 34,253,547 | | 28,849,545 | 434,385 | 1% | (e) |
| Remuneration to Board of Governors | 4,000,000 | - | | 4,000,000 | | 2,718,692 | 1,434,598 | 36% | (f) |
| Depreciation and amortization expense | 22,580,000 | - | | 22,580,000 | | 15,996,530 | 11,687,574 | 52% | (g) |
| Repairs and maintenance | 26,807,260 | - | | 26,807,260 | | 13,297,697 | 17,797,149 | 66% | (h) |
| Contracted services | 6,400,000 | - | | 6,400,000 | | 1,241,320 | 4,915,130 | 77% | (i) |
| General expenses | 139,820,796 | - | | 139,820,796 | | 24,913,216 | 91,202,387 | 65% | (j) |
| Development expenditure | 88,000,000 | - | | 88,000,000 | | 43,776,335 | 44,223,665 | 50% | (k) |
| Total expenses | 520,702,399 | | | 520,702,399 | | 152,669,648 | | | |
| Surplus (Deficit) for the quarter | | | | | | (9,504,042) | | | |

Explanation of material variance (Above 10%)

- a) The movement was due to the effects of Covid-19 since the learning was grounded for 2 quarters
b) The movement was due to the effects of Covid-19 since the learning was grounded for 2 quarters
c) The movement was due to the effects of Covid-19 since the learning was grounded for 2 quarters

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ANNUAL REPORT AND FINANCIAL STATEMENTS
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IX. NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The Institute's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the institute. The accounting policies have been consistently applied to all the year presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

2. ADOPTION OF NEW AND REVISED STANDARDS

- i. **Relevant new standards and amendments to published standards effective for the year ended 30 June 2018**

| Standard | Impact |
|--|---|
| IPSAS 33: First time adoption of Accrual Basis IPSAS | <p>(Effective for annual periods beginning on or January 1, 2017)</p> <p>In January 2015, the IPSASB published IPSAS 33, First-time Adoption of Accrual Basis IPSASs. IPSAS 33 grants transitional exemptions to entities adopting accrual basis IPSASs for the first time, providing a major tool to help entities along their journey to implement IPSASs. It allows first-time adopters three Quarters to recognize specified assets and liabilities. This provision allows sufficient time to develop reliable models for recognizing and measuring assets and liabilities during the transition period.</p> <p>The Institute adopted IPSAS in the year ended 30 June 2018 and therefore provisions of first time adoption of accrual basis does apply to the Institute.</p> |

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| | |
|--|---|
| <p>IPSAS 34: Separate Financial Statements</p> | <p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 34, Separate Financial Statements. IPSAS 34 prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when a Institute prepares separate financial statements. The Institute does not have any subsidiaries , joint ventures or investments and therefore the standard does not apply</p> |
| <p>IPSAS 35: Consolidated Financial Statements</p> | <p>Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 35, Consolidated Financial Statements. IPSAS 35 establishes principles for the preparation and disclosure of consolidated financial statements when an Institute controls one or more entities. It requires an institution that controls one or more other entities to assess control over those entities based on the following: <ul style="list-style-type: none"> - Its power over the other Institute - Its exposure or rights to variable benefits from involvement with the other Institute - Its ability to control the nature, timing and amount of benefits from the other Institute. Once control is assessed the controlling Institute is supposed to prepare consolidated financial statements unless it meets all the criteria under section 5 of IPSAS 35. The Institute does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply.</p> |
| <p>IPSAS 36: Investments in Associates and Joint Ventures</p> | <p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 36, Investments in Associates and Joint Ventures. The Standard prescribes for the accounting for investments in associates and joint ventures and to set out requirements for the application of the equity method when accounting for investments in associates and joint ventures. The standard shall be applied by all entities with significant influence over, or joint control of, an investee where the investment leads to the holding of a quantifiable ownership interest. The Institute does not have investments in associates or joint ventures</p> |

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| | |
|---|---|
| <p>IPSAS 37: Joint Arrangements</p> | <p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 37, Joint Arrangements. IPSAS 37 establishes principles for financial reporting by entities that have an interest in arrangements that are controlled jointly. The Institute does not have an interest in a joint arrangement and therefore the standard does not apply</p> |
| <p>IPSAS 38: Disclosure of Interests in Other Entities</p> | <p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 38, Disclosure of Interests in Other Entities. IPSAS 38 requires an Institute to disclose information that enables users of its financial statements to evaluate the nature of and risks associated with, its interests in controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and the effects of those interests on its financial position, financial performance and cash flows. The Institute does not have interests in other entities and therefore the standard does not apply.</p> |

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

Revenue is recognized to the extent that it is probable that future economic benefits will flow to the Institute and the revenue can be reliably measured. Revenue is recognized at the fair value of consideration received or expected to be received in the ordinary course of the Institute's activities, net of value added tax (VAT), where applicable, and when specific criteria have been met for each of the Institute's activities as described below:

i. Sale of goods and services

The Institute recognizes revenues from sale of goods and services in the year in which the Institute delivers products or services to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Institute and the fair value of the asset can be measured reliably.

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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 Institute and can be measured reliably.

ii. 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.

iii. 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.

iv. Other income

Other income is recognized as it accrues.

b) In-kind contributions

In-kind contributions are donations that are made to the Institute in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Institute includes such value in the statement of comprehensive income both as revenue and as an expense and opposite amounts; otherwise, the contribution is not recorded.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

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.

**MASAI TECHNICAL TRAINING INSTITUTE
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d) Property, plant and equipment

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

Land and buildings are not depreciated.

Depreciation on property, plant and equipment is recognized in the income statement on a reducing balance basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The annual rates in use are:

| | |
|--------------------------|-------|
| Land and buildings | - |
| Motor vehicles | 25% |
| Furniture and fittings | 12.5% |
| Computer and peripherals | 30% |
| Office equipment | 12.5% |

A full year's depreciation charge is recognized both in the year of asset purchase and in the year of asset disposal.

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization calculated on straight-line basis 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 considered to be 5 years.

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f) Inventories

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

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

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

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

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

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

g) Provisions

Provisions are recognized when the institute has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the institute expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

h) Contingent liabilities

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

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i) Contingent assets

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

j) Nature and purpose of reserves

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

k) Changes in accounting policies and estimates

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

l) Employee benefits

Retirement benefit plans

The institute provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an institute pays fixed contributions into a separate 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.

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m) Foreign transactions

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

n) Borrowing costs

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

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

o) Related parties

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

p) Service concession arrangements

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

q) Cash and cash equivalents

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

**MASAI TECHNICAL TRAINING INSTITUTE
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and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of year.

Comparative figures

There were no comparative figures for 2017 2018 because we were reporting on cash basis.

Subsequent events

There have been no events subsequent to the financial year end with a significant impact on financial statements for the year ended June 30th June 2019.

r) Events after the reporting period

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

s) Ultimate and Holding Institute

The Institute is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

t) Currency

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

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| | | FY 2018-2019 | FY 2017-2018 |
|----------|---|---------------------|-------------------------|
| | | | Shs |
| 4 | Transfers from National Government | FY 2018-2019 | FY 2017-2018 |
| | Government capitation | 77,842,500 | - |
| | Kajiado East TTI | | - |
| | Mentoring grants -KETTI | 13,683,383 | - |
| | Mentoring grants-KWTTI | 3,070,000 | - |
| | Kajiado West TVC | | - |
| | Development grants | 3,820,875 | - |
| | Grants & Grants-in-Aid:Contingencies | 169,000 | - |
| | Kajiado North | 500,000 | - |
| | PC Kinyanjui | 500,000 | - |
| | Total transfers from Government | 99,585,758 | |
| 5 | Transfers from other Government Agencies | FY 2018-2019 | - |
| | NYS | 27,265,500 | - |
| | Total transfers from other Government Agencies | 27,265,500 | - |
| 6 | Rendering of services | FY 2018-2019 | |
| | Personal emoluments | 6,252,605 | |
| | Tuition fee | 59,987,175 | - |
| | EWC | 1,397,197 | - |
| | LT&T | 1,805,507 | - |
| | RMI | 1,199,083 | - |
| | Activity fee | 1,245,538 | |
| | Industrial attachment and Insurance | 791,460 | |
| | Boarding fees | 3,734,402 | - |
| | Examination fees | 24,189,478 | - |
| | Total revenue from the rendering of services | 100,602,445 | - |
| 7 | Other incomes | FY 2018-2019 | 2017-2018 |
| | Cafeteria | 78,330 | - |
| | Sale of goods | 543,795 | |
| | Student ID | 10,000 | - |
| | Registration fee | - | - |
| | Student council | - | - |
| | Sale of tenders | 24,000 | - |
| | Carcare | 676,206 | |
| | Driving school | 5,969,168 | |
| | Textile | - | - |

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| | | | |
|---|---|---------------------|----------|
| | Rental Income | 1,290,000 | - |
| | Bakery | - | - |
| | Moi Girls Isinya | - | - |
| | Dairy farm | 498,675 | |
| | Vegetable farm income | 45,120 | |
| | Part-time income | 438,800 | - |
| | Total other Incomes | 9,574,094 | - |
| 8 | Revenue from Hire facilities and Equipment | FY 2018-2019 | - |
| | Hire of facilities | 3,064,057 | |
| | Total rental revenue from facilities and equipment | 3,064,057 | |
| 9 | Use of Goods and Services | FY 2018-2019 | - |
| | Tuition expenses | 9,823,868 | - |
| | Activity | 4,487,485 | - |
| | Local Transport & Travelling | 7,251,263 | - |
| | Electricity, water and Conservancy | 10,829,682 | |
| | Student council expenses | 464,208 | |
| | Examination fees | 24,189,478 | - |
| | Boarding expenses | 46,301,558 | - |
| | School equipment and stores | 9,602,078 | - |
| | Graduation expenses | 1,613,280 | - |
| | Institute publicity expenses | 2,533,076 | |
| | Industrial attachments | 999,488 | |
| | Management Information systems | - | - |
| | Student Insurance | - | - |
| | Library expense | 1,445,852 | - |
| | Total use of goods and services | 119,541,316 | - |

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| | | FY 2018-2019 | FY 2017-2018 |
|-----------|---|---------------------|---------------------|
| 10 | Employee costs | FY 2018-2019 | 2017-2018 |
| | Personal emoluments | 15,558,530 | - |
| | Employee related costs: N S S F | 1,415,743 | - |
| | N H I F | 391,950 | - |
| | P A Y E | 438,149 | - |
| | H E L B | 252,893 | - |
| | Matenos welfare | 982,349 | - |
| | Kases sacco | 2,098,640 | - |
| | Provident fund | | - |
| | Kudheiha Union | 59,550 | - |
| | Total employee costs | 21,197,804 | - |
| | | | - |
| 11 | Remuneration to Board of Governors | FY 2018-2019 | 2017-2018 |
| | Board allowances | 3,048,770 | - |
| | Total director emoluments | 3,048,770 | - |
| | | | - |
| 12 | Depreciation and amortization expense | FY 2018-2019 | FY 2017-2018 |
| | Property, plant and equipment | - | - |
| | Intangible assets | - | - |
| | Investment property carried at cost | - | - |
| | Total depreciation and amortization | - | - |
| | | | |
| 13 | Repairs and maintenance | FY 2018-2019 | FY 2017-2018 |
| | Repairs and maintainance routine maintainance-other assets | 30,591,843 | - |
| | Motor Vehicles Insurance | - | - |
| | Motor vehicle expenses | 411,317 | - |
| | Fuel, oil and lubricants | - | - |
| | Total repairs and maintenance | 31,003,160 | - |
| | | | |
| 14 | Contracted services | FY 2018-2019 | FY 2017-2018 |
| | Consultancy services | 1,434,187 | - |
| | | | - |
| | Total contracted services | 1,434,187 | - |
| | | | - |
| 15 | Grants and subsidies | FY 2018-2019 | FY 2017-2018 |
| | Kajiado East TTI A/C | 23,067,785 | - |

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| | | | |
|-----------|-----------------------------------|---------------------|---------------------|
| | Kajiado West TVC | 2,250,228 | - |
| | Kajiado West TTI Account | 400,000 | - |
| | Total grants and subsidies | 25,718,013 | - |
| | | | - |
| 16 | General expenses | FY 2018-2019 | FY 2017-2018 |
| | Administrative expenses | 15,699,129 | - |
| | Vegetable farm expenses | 133,738 | - |
| | Driving school expenses | 1,617,300 | - |
| | Research and Development expenses | 4,485,203 | - |
| | Dairy farm | 618,713 | - |
| | ISO 9001:2015 | 536,268 | - |
| | Hire of facilities | 3,319,285 | - |
| | Dispensary | 930,085 | - |
| | Economic stimulus | 200,000 | - |
| | Part time expenses | 1,111,545 | - |
| | Strategic planning | - | - |
| | KATTI Participation | 1,948,372 | - |
| | Medical fee | - | - |
| | Carcare expenses | 930,085 | - |
| | Covid-19 expenses | - | - |
| | KATTI/Capa confrence training | - | - |
| | Rent expense | - | - |
| | Moi Girls project expenses | - | - |
| | Dining hall renovations | - | - |
| | Bakery unit expenses | - | - |
| | Water harvesting expenses | - | - |
| | Textile production unit expenses | - | - |
| | Admission expenses | 26,500 | - |
| | Gratuity | 247,517 | - |
| | Total general expenses | 31,803,740 | - |

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| | | FY 2018-2019 | FY 2017-2018 |
|-----------|---|---------------------|---------------------|
| 17 | Cash and cash equivalents | FY 2018-2019 | FY 2017-2018 |
| | Current account | | |
| | Coop bank-recurrent | -1,102,192 | - |
| | KCB Savings account | 103,179 | - |
| | Cooperative bank-development | 3,189,328 | - |
| | KCB Business Current account fund | -1,102,873 | - |
| | Equity Bank- Kajiado East T.T.I | 4,732,316 | - |
| | Coop Kajiado West T.T.I | 803,964 | - |
| | Equity Bank | -7,114,498 | - |
| | Cash at hand | | |
| | Total Cash and Cash Equivalents | -509,076 | |
| 18 | Receivables from exchange transactions | FY 2018-2019 | FY 2017-2018 |
| | Staff Advances | - | |
| | Student debtors account | 2,013,624 | - |
| | Other receivables | 2,361,018 | - |
| | County Government of Kajiado | | - |
| | Kenya Road Cross | | - |
| | National Gender and Equality | | - |
| | Commission of Universities | | - |
| | Kajiado Adventist School | | |
| | African Gender and Media initiative | | |
| | State Department of ECDE | | |
| | National council for population and Development | | |
| | Moi Girls | | |
| | Mashuuru High School | | |
| | Total receivables fro exchange transactions | 4,374,642 | |
| | *Hire of facilities Relates to the amount receivable from The Kajiado County Government for having used insitution facilities. ** Relates to amount receivable from Moi Girls for the construction done by the Institute. | | |
| 19 | Receivables from non-exchange transactions | FY 2018-2019 | FY 2017-2018 |
| | Current receivables | | |
| | Receivables-Government capitation | 43,130,950 | |
| | Ministry of Gender and Youth Affairs (NYS) | 57,000,000 | |
| | Total receivables from non-exchange transaction | 100,130,950 | |

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The receivables includes Kshs Kshs.10,932,033 is anticipated to be received from the Ministry of Gender and Youth Affairs in the current year who joined in the month of May 2021

| | | FY 2018-2019 | FY 2017-2018 |
|-----------|--|---------------------|---------------------|
| | | FY 2018-2019 | FY 2017-2017 |
| 20 | Related Party Balances | | |
| | Mentorship Grants | | |
| | Kajiado East Tvc | 3,400,000 | - |
| | Kajiado West TVC. | 2,250,228 | - |
| | Total related party balances | 5,650,228 | - |
| 21 | Inventories | FY 2018-2019 | FY 2017-2018 |
| | Consumable stores | | |
| | Maintenance stores | | |
| | Health unit stores | | |
| | Electrical stores | | |
| | Cleaning materials stores | | |
| | Catering stores | | |
| | Total inventories | 1,593,770 | |
| 22 | Trade and other payables from exchange transactions | FY 2018-2019 | FY 2017-2018 |
| | Trade payables | 13,946,655 | - |
| | Other payables | 21,994,695 | - |
| | Refundable payables | | - |
| | Accruals | | - |
| | Examination fee | | - |
| | Total trade and other payables | 35,941,350 | - |
| | Trade payables relates to pending pending bills as at 30th June, 2021; Refundable payables relates to caution money refundable to trainees once they complete their trainings and Accruals relates to statutory and payroll deductions which had not been submitted by 30 June, 2021 | | |
| 23 | Trade and other payables from non-exchange transactions | FY 2018-2019 | FY 2017-2018 |
| | NYS | 19,577,900 | - |
| | Total Trade and other payables from non-exchange transactions | 19,577,900 | - |

| As at 30 June 2019 | | Land Buildings | Underground water tanks | Motor vehicles | Furniture and fittings | Computers | Plant and Equipment | Mechanical Equipment | Capital WIP | Total |
|--------------------------------------|-------------|----------------|-------------------------|----------------|------------------------|------------|---------------------|----------------------|-------------|-------------|
| PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | | |
| COST | | Shs | Shs | 25% Shs | 12.50% Shs | 30% Shs | 12.50% Shs | 12.50% Shs | | Shs |
| At 1 July 2018 | - | - | - | - | - | - | - | - | - | - |
| Additions | 535,635,314 | 535,635,314 | - | 10,960,000 | 3,307,180 | 8,792,700 | 9,051,920 | 28,645,560 | - | 596,392,674 |
| At 30 Jun 2019 | 535,635,314 | 535,635,314 | - | 10,960,000 | 3,307,180 | 8,792,700 | 9,051,920 | 28,645,560 | - | 596,392,674 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | |
| At 1 Jul 2018 | - | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - | - |
| At 30 Jun 2019 | - | - | - | - | - | - | - | - | - | - |
| Net book values | | | | | | | | | | |
| At 30 June 2019 | 535,635,314 | 535,635,314 | - | 10,960,000 | 3,307,180 | 8,792,700 | 9,051,920 | 28,645,560 | - | 596,392,674 |

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APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|---------------------|--------------------------------------|---|
| | | | | |


Principal / Secretary BOG

Date.....20/6/2022

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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects implemented by Masai Technical Training Institute.

| Project title | Donor | Period/ duration | Separate donor reporting required as per the donor agreement (Yes/No) | Consolidated in these financial statements (Yes/No) |
|----------------------------|----------|---------------------|---|---|
| Dairy shed | Internal | 3 months | 1,872,600 | Internally generated funds |
| Institute Parking yard/lot | Internal | 12 months | 2,155,625 | Internally generated funds |
| Car wash bay | Internal | 10 months | 877,930 | Internally generated funds |

Status of Projects completion

| Project | Key Deliverables | Project Status | Budget | Actual | Source of funds |
|----------------------------|--|----------------|-----------|-----------|----------------------------|
| Dairy shed | <ul style="list-style-type: none"> ➤ Practical completion ➤ Handing over certificate | 30% done | 1,800,000 | 1,872,600 | Internally generated funds |
| Institute Parking yard/lot | <ul style="list-style-type: none"> ➤ Practical completion ➤ Handing over certificate | 50% complete | 1,500,00 | 2,155,625 | Internally generated funds |
| Car wash bay | <ul style="list-style-type: none"> ➤ Practical completion ➤ Handing over certificate | 50% done | 1,500,000 | 877,930 | Internally generated funds |

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APPENDIX III: INTER-ENTITY TRANSFERS

| ENTITY NAME: | | | |
|--|----------------------------|----------------------|--|
| Break down of Transfers from the Masai Technical Training Institute | | | |
| FY 2020/2021 | | | |
| a. Recurrent Grants | | | |
| | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | 0.00 | |
| | Total | 0.00 | |
| b. Development Grants | | | |
| | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | 0.00 | |
| | Total | 0.00 | |
| c. Direct Payments | | | |
| | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | 0.00 | |
| | Total | 0.00 | |
| d. Donor Receipts | | | |
| | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | 0.00 | |
| | Total | 0.00 | |

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

Finance Officer

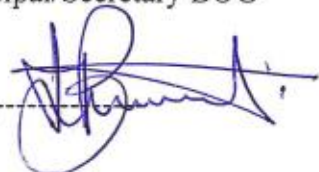
Sign

FINANCE OFFICER
MASAI TECHNICAL TRAINING INSTITUTE
P. O. Box 125 - 01500
TEL: 020 200 444

28/6/2022

Principal/Secretary BOG

Sign



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APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Name of the MDA/Donor Transferring the funds | Date received | Nature: Recurrent/Development/Others | Total Amount - KES | Where Recorded/recognized | | | | | Total Transfer during the Year |
|--|---------------|--------------------------------------|--------------------|------------------------------------|--------------|-----------------|-------------|---------------------------|--------------------------------|
| | | | | Statement of Financial Performance | Capital Fund | Deferred Income | Receivables | Others - must be specific | |
| Ministry of Education | | Capitation | 16,597,500 | 16,597,500 | | | | | |
| | | Capitation | 9,757,500 | 9,757,500 | | | | | |
| | | Capitation | 12,285,000 | 12,285,500 | | | | | |
| | | Capitation | 10,777,500 | 10,777,500 | | | | | |
| Total | | | | 49,417,500 | | | | | |

