

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS L A I D

DATE: 15 MAR 2023 DAY: Wednesday

REPORT
TABLED BY: Leader of the majority party
CLERK-AT-THE-TABLE: Gufonde debet

OF

THE AUDITOR-GENERAL

ON

**MAASAI MARA TECHNICAL AND
VOCATIONAL COLLEGE**

**FOR THE YEAR ENDED
30 JUNE, 2018**



MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2018**

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

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MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
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KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Maasai Mara Technical and Vocational College (MMTVC) is a newly established public institution. It operates under the TVET ACT no. 29 of 2013. It opened its door to the first batch of students in January 2017. The first group of students sat for their KNEC and other national (e.g. KASNEB) exams in November 2017.

The Narok District Board (DEB) on 9th December 2010 vide Min 56/NN/DEC/12/2010 approved a proposal by the local community to establish Narok Technical Training Institute on the land provided by the community. The Naretoi Development community Centre Board of Trustees and the Management Committee made a resolution on 11th December 2010 to transfer the Naretoi development Centre to Kenya Technical Teachers College (KTTC) so that a Technical Institute would be constructed on that property. Two parcels of land approximately 50 acres were transferred to KTTC vide title deed number CIS-MARA/OLOMBOKISHI/187 measuring approximately 18.67 Hectares. KTTC was therefore appointed by the Ministry of Education as the Institution to mentor the proposed Narok Technical Training Institute under the Economic Stimulus Projects (ESP). The College name was later changed to the current **MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE (MMTVC)**.

The college infrastructure comprises 4 workshops and 8 classrooms on a two storey building. The workshops include Automotive, Production and Electrical & Electronics workshops, One Hall that serves as training facility for Hospitality department, two temporary Hostels for male students of 100 capacities each and three temporary structures inherited from the community that are serving as Hostels for female students.

(b) Principal Activities

The principal activity/mission/ mandate of the *entity* is to provide skills for sustainable development by offering quality and relevant programmes.

Vision:

A leading Institution in the provision of lifelong skills for innovation and creativity for sustainable development.

Mission:

To provide lifelong skills for innovation and creativity for sustainable development.

Core Values:

- Team work.
- Professionalism and Integrity.
- Transparency and Accountability.
- Creativity and innovation.
- Entrepreneurship and Partnership.
- Health and safety.
- Quality Service Delivery.
- Diligence and commitment to Duty.
- Non-discrimination.
- Efficiency and Timeliness.
- Flexibility in Service Delivery.

(c) Key Management

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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The *MAASAI MARA TVC'S* day-to-day management is under the following key organs:

- Board of Governors
- Principal
- Deputy Principal-Administration.
- Registrar
- Dean of students
- Finance Officer

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	John M. Kilonzo
2.	Head of Finance	Noah L. Matipe
3.	Head of Procurement	Veronicah Loonturot
4.	B.O.G Chairperson	Julius M.T Ole Sasai

(e) Fiduciary Oversight Arrangements

Name of the Committee	Members
Finance and General Purpose Committee	1.SAMMY S. KASERO 2.RAPHAEL SARINKE 3.CONNIE O. MOGAKA
Governance and Ethics Committee	1. JULIUS OLE SASAI 2. PHILIP TIPAA 3. ELIZABETH LOLCHOKI
Any other Committee – Adhoc Committee	1. JULIUS OLE SASAI 2. JULIUS OLE YENKO 3. JACOB MWISYO

KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Entity Headquarters

EOR-EKULE SHOPPING CENTRE
P.O. Box 577-20500
Along Narok- Mai-Mahiu Road
Narok, KENYA

(g) Entity Contacts

Telephone : (254) 799-213-300/0774213300
E-mail: principalmmtvc@gmail.com
Website: www.mmtvc.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Narok Branch
P.O. Box 9856 - 20500
Narok, Kenya

TransNational Bank
Narok Branch
P.o Box 862 - 20500
Narok, Kenya

(i) Independent Auditors

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



(j) Principal Legal Adviser

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

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE


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THE BOARD OF GOVERNORS

<p>1. JULIUS M.T OLE SASAI</p>	 <p>Key Qualifications: 2015-to date--Maasai Mara University > Masters In Business Management under way 2000-2003: Shivaji University > Bachelor of Commerce Shivaji University 1999-2000: D.D shinde Sarkar College > Higher Secondary School Examination certificate 1994-1997: Narok High School -KCSE Certificate</p>	<p>Date of Birth: 17/11/1974 Work Experience 2006-2014 worked at Equity Bank Ltd April 2014 - October 2014: Family Bank Limited October 2014 to Dec 2017: Transnational bank Limited as the Branch Manager (Narok Branch) Dec 2017 to date: Narok County Government as the County Executive Committee Member in charge of Land, Housing, Physical Planning and Urban Development 2016 to date Eor-Ekule Sec. School -B.O.M Chairman 2016 to date Maasai Mara TVC -B.O.G Chairman</p>
<p>2. JOHN M. KILONZO</p>	 <p>Key Qualifications 2014 – 2016: Mount Kenya University MBA (Accounting & Finance) 2011 – 2014: Mount Kenya University Bachelor of Business MGT 2010 – 2011: KTTC KNEC Higher Dip Ed. MGT 1990 – 1992 : KTTC Diploma in Technical Education 1990 – 1992 : Mombasa Polytechnic CPA I & II 1985 – 1986: Kitui High School Kenya Advanced Cert Of Education 1981 – 1984: Ikutha Boys High School Kenya Cert Of Education</p>	<p>Date of Birth: 1st July, 1963 Work Experience Jan 2019 To Date Maasai Mara TVC Principal 2017 – 2018 Katine TTI Ag. Principal 2014 - 2017 Katine TTI Deputy Principal 1996 – 2014 Rwika TTI HoD, Business Dept. 1994 – 1995 Rwika TTI Deputy HoD, Business Dept. 1992 – 1993 Shamash Bros – MSA Accountant Jan 1991 – Oct 1991 Maritime Eng. Co. Mombasa Cashier</p>



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<p>3. SAMMY S. KASERO</p>	 <p><u>Key Qualifications</u> May 2010- July 2013 Undergraduate: Bachelor of Arts Leadership and Management St. Paul's University College 1985Diploma Business Administration Universal College-Nairobi 1972-1975 High School: E.A.C.E Narok Secondary School</p>	<p>Date of Birth: <u>Work Experience</u> 1976-2014 -Central Bank of Kenya -Foreign Exchange dealer -Assistant Manager in charge of Back office operations 2015-2018 -St.AnthonySec.School Chairman Finance Committee 2016 to date -Maasai Mara TVC BOG member & Chairman of Finance Committee 2018 to date -A.I.C Nairagie Enkare Treasurer 2019 to date St.Anthony's Secondary school B.O.M Chairman</p>



MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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<p>4. JULIUS T. OLE YENKO</p>	 <p><u>Key Qualifications:</u> 1997- 1999 : Bachelor of Business Administration- CSM Institute of Graduate Studies - Canada 2000-2001: Master of Business Administration CSM Institute of Graduate Studies – Canada 1997-2002: Bachelor of Law (LL.B) Shivaji University- Kolhapur India 2007-2008: Post Graduate Diploma -Kenya School of Law</p>	<p>Date Of Birth; 1976 <u>Work Experience</u> 2004-2005 Pupilage at Kenta Moitalel \$ Co. Advocates Nairobi 2006-2008 Labour Office – Oserian Dev. Company Naivasha 2009 April-2009 Sept: Associate Lawyer at Kiplenge \$ Co. Advocates Nakuru. 2009-2012 -Associate Lawyer at Sunkuli \$ Co. Advocates Narok 2012 to Date Partner at Ole Yenko Company Advocates – Narok</p>
<p>5. ELIZABETH S. OLOLCHOKI</p>	 <p><u>Key Qualifications</u> 2009-2011 Kenya Methodist University Master of Business Administration Entrepreneurship 2003-2006 University of Eastern Africa Baraton -Bsc. Science Biology & Chemistry</p>	<p>Date of Birth; <u>Work Experience</u> 2018 To Present Narok County Government -County Secretary & Head of County Public Service 2013 To Present Narok County Government -Economic Advisor 2008-2013 EQUITY BANK Relationship manager 2007 July - 2007 Dec: KARI, Diagnostic for Banana streak project Project Cordinator 2006-2007 KEMRI Management trainee</p>


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	<p>1999-2002 Loreto Girls Kiambu -K.C.S.E Certificate 1991-1999 AIC Girls Kajiado -K.C.P.E Certificate</p>	
<p>6. RAPHAEL S. OLE SARINKE</p>	 <p>CURRENTLY: University of Nairobi (Finalist) Master of Science in Computer Information Systems –Msc-Cis 2003-2007 DR. BR AMBEDKAR UNIVERSITY Degree Bachelor of computer Application IT(B.C.A) –First Division</p>	<p>Date of Birth: Work Experience 2014 to Date Enrex Consultants Ltd -Data base Administrator 2010-2014 National Museums of Kenya -Data base Administrator 2008-2010 Save the Girl Child -Area Cordinator Narok/Kajiado 2003-2007 Reliance India Ltd Systems administrator 1999-2003 Literature Bureau (KLB) Assistant System Administrator-Kenya</p>
<p>7. CONNIE O. MOGAKA</p>	 <p>O’Lvel - Kaimosi Girls High School 1972 A’Level – Kabare Girls High School 1974 Bachelor of Education (Science) UON 1978 Post Graduate Diploma in Education Planning, NIEPA NewDelhi 1987 Certificate in Training Management , Arhus College DenMark 1995 Master of Arts, Jawarlal Nehru University India, 2002 PhD in Leadership & Governance JKUAT, underway.</p>	<p>Date of Birth: Work Experience 1978-1980 The Teacher Service Commission of Kenya – Graduate Teacher 1980-1986 Ministry of Education – Kenya National Commission for UNESCO –Assistant Secretary General 1986-1988 Ministry of Education Nairobi – Education Officer 1 1992-1998 Ministry of Education HQs Nairobi, Senior Education Officer (special needs) 1998-2002 Ministry of Education – New Delhi India, Education Attache’ 2002-2003 Ministry of Education, National Cordinator for Early Childhood Development 2003-2004 Minstry of Education, Senior Assistant Director of Education 2004-2007 Ministry of Education Provincial Director of Education. Nairobi Province 2009 February – 2009 July Aga Khan</p>

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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		(EA), Consultant 2012-2017 Kibabii University, Council
8. JACOB K. MUISYO	 <p>Key Qualifications 2012-2014 University of Free state South Africa -Masters in Disaster Management 2000-2003 Jomo Kenyatta University of Agriculture & Technology (JKUAT) Bsc.Degree in civil Engineering 1994-1996 Jomo Kenyatta University of Agriculture & Technology (JKUAT) - Diploma in civil engineering</p>	<p>Date of Birth: 17th Dec 1973</p> <p>Work Experience 2004-2005 Runji & Partners Ltd Nairobi Civil & structural Engineer 2005 Jan-2005 Dec Howard Humphreys ltd Civil & Structural Engineer 2005 Dec-2007 CARE International Project Engineer 2007-2012 CARE International Project Engineer 2012-2013 International Federation of Red Cross (IFRC) -Regional DRR, Senior Programme Officer July 2013 to Date; FAO Somalia, Nairobi Kenya Civil Engineer –Head of Infrastructure Unit</p>

Board Committees

Name of the Committee	Members
Finance and General Purpose Committee	1. SAMMY S. KASERO 2. RAPHAEL SARINKE 3. CONNIE O. MOGAKA
Governance and Ethics Committee	1. JULIUS OLE SASAI 2. PHILIP TIPAA 3. ELIZABETH LOLCHOKI
Any other Committee	4. JULIUS OLE SASAI 5. JULIUS OLE YENKO 6. JACOB MWISYO

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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I KEY ENTITY INFORMATION AND MANAGEMENT

(a) Key Management

Name of the Staff	Responsibility
JOHN M. KILONZO	Senior Principal
STEPHEN M. SANGIRIAKI	Deputy Principal
ISAAC M. ORERO	Registrar
LYDIA N. KARANU	Dean of Students
NOAH L. MATIPE	Accountant
VERONICAH LOONTUROT	Procurement Officer

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

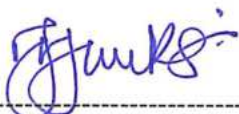
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

CHAIRMAN'S STATEMENT

On behalf of the Board of Governors, I wish to confirm to the Ministry of Education that we have read the financial statements prepared and submitted by Maasai Mara Technical and Vocational College. The financial statements have been prepared in a form that complies with the standards prescribed and published by the Public Sector Accounting Standards Board of Kenya and that they comply with the requirement of section 83 of the PFM act 2012.

The financial statements truly reflect the Institution's financial and non-financial position and are free of any material misstatements as it has been confirmed by the finance and general purpose committee, which was formed from within the Board members. Maasai Mara TVC being one of the newly established TVET Institutions is faced by a number of Challenges some of which are infrastructural development as the Institution lacks basic facilities such as: Clean Water, Adequate Classrooms, Hostels, Workshops and Sports field for Students, In this regard I wish to state that the Board of Governor's is fully committed to support the Government in resource mobilization by partnering with the County Government, Non-Governmental Organizations, Financial Institutions and other well wishers in a bid to increase students' enrolment and elevate this Institution to a higher level.

I also wish to appreciate the Government of Kenya through the Ministry of Education, State Department of Vocational and Technical Training for supporting and investing in Technical Training and Education Institutions Country wide.



JULIUS M.T OLE SASAI /BOG CHAIRMAN

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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REPORT OF THE PRINCIPAL

In reference to section 83 of the PFM act 2012, all National Government entities are required to prepare and submit quarterly financial statements within 15 days after the end of each quarter. Further, Section 81 of the PFM act 2012 requires all National Government Entities to prepare and submit annual financial statements 3 (three) months after the end of the financial year.

The statements herein submitted today have been prepared using Accrual basis of Accounting as per the requirement of the PFM act and the Public Sector Accounting Standards Board (PSASB).

The financial reports prepared by the Institution clearly show that the past and current performance is indicative of future results.

The financial statements have been prepared with a lot of accuracy and utmost good faith. They represent the Institution financial state of affairs and any material misstatement noted by the Government will be corrected effectively and in good faith.

The Institution reports that there is still high demand for its principal activities, despite of the challenges it faces at the moment, we commit ourselves to ensuring prudence and professionalism in the management of this Institution, However Maasai Mara Technical and Vocational College is committed to ensuring that it increases student's enrolment in a bid to support the Government of Kenya in realization of Vision 2030 through the big four agenda.



PRINCIPAL/SECRETARY TO THE BOARD OF GOVERNORS

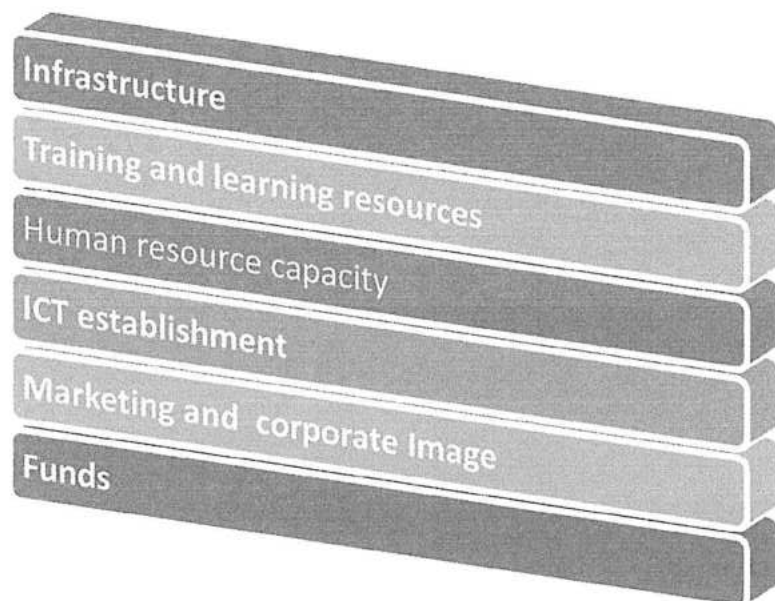
Date: 20th Sept, 2020

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REVIEW OF MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE PERFORMANCE FOR FY 2017/1820

Maasai Technical and Vocational College has six strategic pillars and objectives within its Strategic Plan for the FY 2017/2018- 2021/2022. These strategic pillars are as follows:



MMTVC develops its annual work plans based on the above six pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The institute started working on its performance targets set for the FY 2017/2018 period for its 6 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar1: Marketing and corporate Image	To develop a marketing and strategy publicity for the college	Develop and implement a marketing and publicity plan	Started publicity campaign of the school online.	Achieved
Pillar2: Infrastructure	To construct a dining hall/hospitality training facility	Complete ablution block within the current tuition block	Works started for the construction of the dining hall/hospitality training facility	Work in progress
	To construct ablution blocks and student hostels	completed ablution blocks and student hostels.	Works started for the construction of ablution blocks and students hostels	Work in progress
Human resource capacity	To recruit more and qualified staff	<ul style="list-style-type: none"> Increased staff and more trainees released in the market. Low employee 	<ul style="list-style-type: none"> Recruit more staff in the areas of need Develop human resource management policy 	<ul style="list-style-type: none">

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		turnover	<ul style="list-style-type: none"> • Ensuring employee satisfaction 	
ICT establishment	To strengthen ICT establishment.	<ul style="list-style-type: none"> • Number of computers • Internet connectivity • MIS 	<ul style="list-style-type: none"> • Increase number of computers • Internet connectivity • Acquire MIS system 	•
Marketing and corporate Image	To develop a marketing and strategy publicity for the college	<ul style="list-style-type: none"> • Increased number of enrolment 	<ul style="list-style-type: none"> • Develop and implement a marketing and publicity plan • Monitor and evaluate the plan 	•
Funds	To mobilize financial resources	<ul style="list-style-type: none"> • Increased number of enrolment 	<ul style="list-style-type: none"> • Increase student enrolment • Lobby for more funding from the national government, county government and other well-wishers. • Establish income generating activities • To strengthen budgeting and budgetary controls • To maintain debt-equity ratios at zero 	•

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

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CORPORATE GOVERNANCE STATEMENT

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

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

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

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

Attendance of board meetings

During FY 2017/18, there was 71% eligible attendance at all meetings of the Board and Committees.

Note:

- 1) There were 7 full board meetings held during the year.
- 2) No board charter exists at the moment.
- 3) Succession plan is after every 1 year.
- 4) No board remuneration.

Prior to the beginning of each year, Board meetings are scheduled in line with the key financial reporting dates. A more detailed agenda, together with the Board papers, is distributed in a timely manner before each Board meeting. All Members receive sufficient relevant information on financial, Academics and development issues to enable informed decisions to be taken by them at the Board meetings. Any specific actions arising during meetings are agreed by the Board and a follow-up procedure monitors their completion. Monthly financial and operational

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reviews are distributed to the Board, irrespective of whether a scheduled meeting is to take place. This assists the Board to keep informed of developments on a regular basis.

Time is allocated at all meetings to discuss any other business, which all Members are invited by the Chair to raise. All Members participate in strategy development and decisions required to implement actions to progress towards meeting the objectives of the Company.

The Board Chairperson's primary role is to ensure the effective running of the Board and that the Board as a whole plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.

The Principal's primary role is to deal with the running of the Institute and executive management of all the staff. He advises the Board and reports directly to the Chair on Institute Governance matters. He also advises the Board on legal and governance matters, helping to ensure that Board procedures and applicable rules and regulations are observed.

The Members are also able to take independent professional advice in the furtherance of their duties as necessary.

The Role and Functioning of the Board

The Board is comprised of a BOG Chairperson, Principal (Secretary to Board) and five board Members. The Members have a balance and depth of skills and experience, together with knowledge of the Institute's operations, which enables them to discharge their respective duties and responsibilities effectively.

The Board is collectively responsible for the long-term success of the Institute.

There is a formal schedule of matters reserved for consideration by the Board, which include responsibility for the following:

- i) approval of overall Institute strategy and objectives.
- ii) approval of the annual budget and monitoring progress towards its achievement.
- iii) review and approval of the annual financial statements.
- iv) approval of Institute's financing arrangements from donors and other government agencies.
- v) approval of major unbudgeted expenditure.

These reserved matters are reviewed by the Board, at least annually, to ensure they remain appropriate and complete. The board Members Are Non-executive.

Board performance

Performance evaluations identify and record achievements, training requirements and areas for improvement in relation to annual objectives and performance of their respective roles, in order to consider effectiveness.

Objectives for the forthcoming year are defined along with identification of how achievements will be met, target dates and details of resource constraints or issues to ensure that actions are planned and taken as a result of the evaluation process.

We strive to provide the highest quality of training to our students by;

- i) Being courteous, fair, ethical and professional.
- ii) Being positive and helpful and provide reasons for any decisions we make.
- iii) Providing assistance when required.
- iv) Answering enquiries or requests accurately and in a timely manner
- v) Treating our staff, Contractors and Suppliers honestly and with respect.

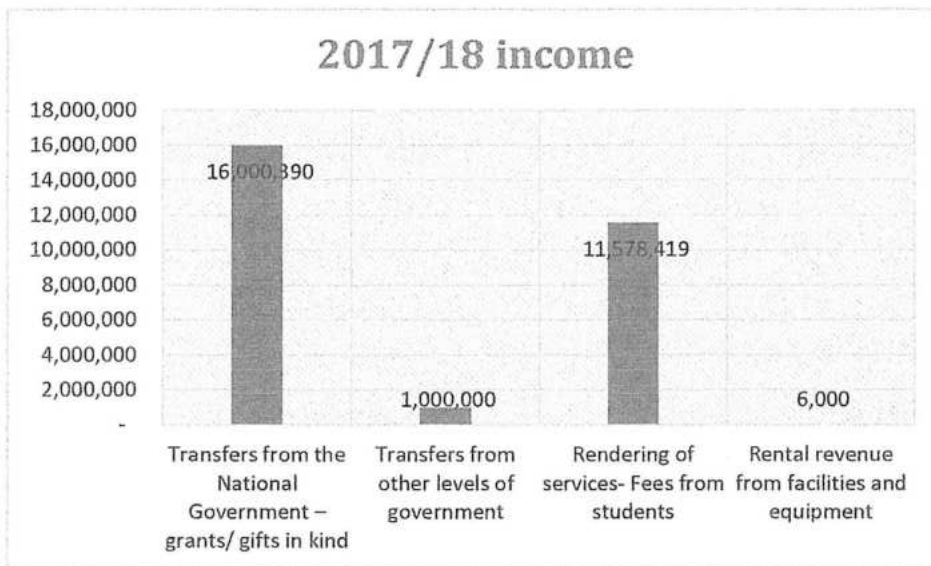
Keeping the Institute clean, tidy and free from any damage.

MANAGEMENT DISCUSSION AND ANALYSIS

The entity’s operational and financial performance

Given that this is the first year of operation, MMTVC had **104** students. The government received substantial grants from government both capital in nature and operations grants.

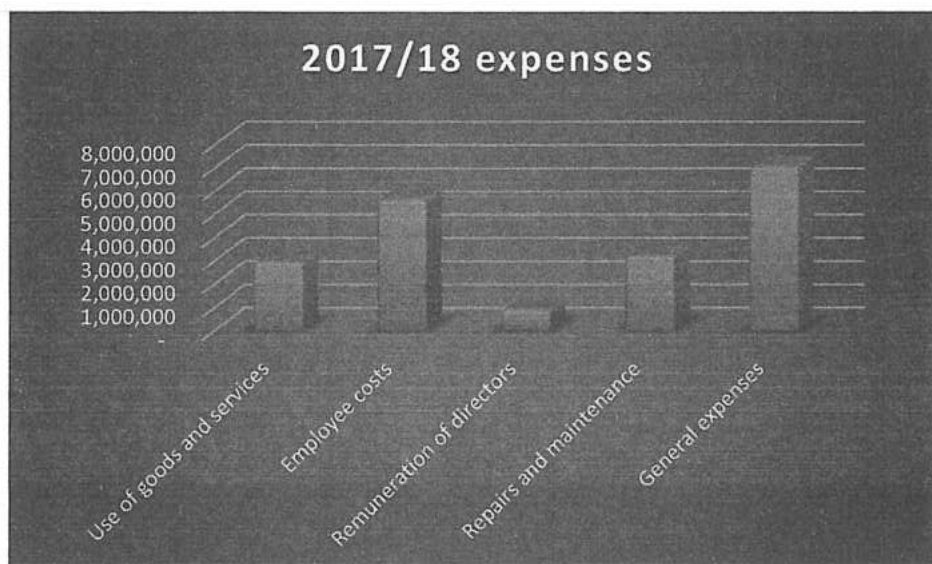
The graph below demonstrates various income avenues for the college during the year under review.



Transfers from other levels of government relates to grants by the county government of Narok.

The highest expense line item is general expense which takes up 36% of the total expenses. This is mainly made up of administrative expenses, marketing and examination expense. The following graph shows an analysis of the expenses incurred during the year.

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Being a fairly new institution, it is noted that the institution has gained tremendous growth and this is expected to continue in the coming years. To keep up with the growth, the management will be required to aggressively pursue additional funding and technical support from the Government agencies and development partners.

The courses offered by the institution are in a high demand at the moment but the institution is not able to hold more students due to various challenges such as;

- i. Limited accommodation for students
- ii. Lack of sports and games infrastructure
- iii. Lack of health care facilities
- iv. Over reliance on Government grants
- v. Lack of clean water
- vi. Understaffing in Departments for both Academic and Non-Academic staff
- vii. Limited classrooms for students

SECTION B

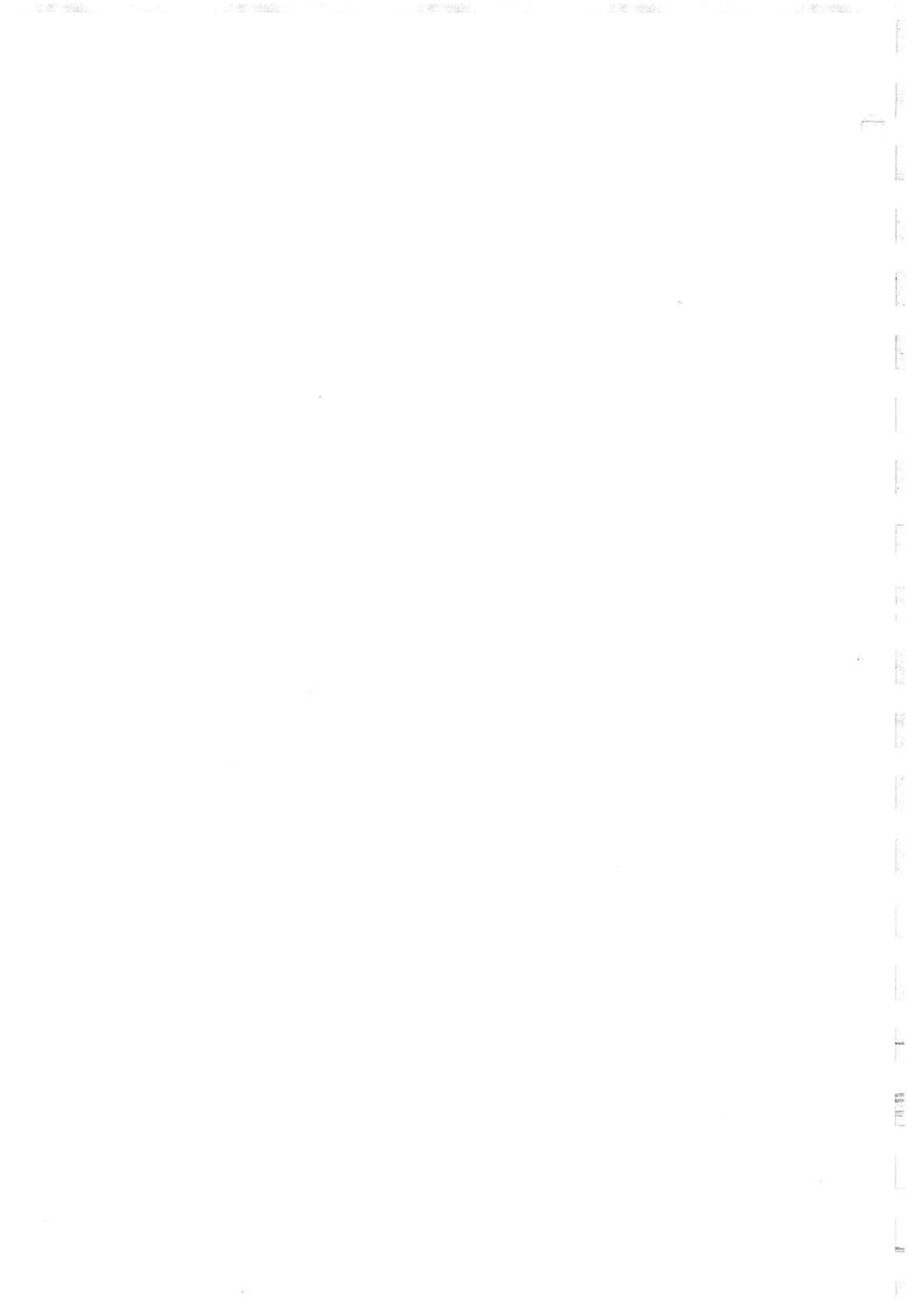
Institution's compliance with statutory requirements

The Institution has fully complied with all the statutory requirements e.g. Statutory deductions from employees' Salaries i.e. NHIF, NSSF, PAYE etc. and it has no any form of pending Contingent liabilities whatsoever.

SECTION C

Key projects and investment decisions the Institution is planning

This being the first year of operations, there are no major projects being undertaken by the college.



SECTION D

Major risks facing the entity

Some of the major risks facing the Institution are as follows;

- i. Understaffing in departments in both academic and non-academic staff.
- ii. Stiff Competition from Private Institutions offering the same courses and skills.
- iii. Lack of Assets of capital nature such as College bus which could ease transport of students.
- iv. Credit and Liquidity risks which poses serious threats from suppliers which is as result of delayed fees payment from sponsors such as NYS hence over reliance on Government grants.

SECTION E

Material arrears in statutory/financial obligations

Our Institution is pleased to report that it has no material arrears in statutory and financial obligations.

So far so good we have been able to comply with all the statutory requirements and there are no dues in all material respect.

SECTION F

The entity's financial probity and serious governance issues

Under this section the Institution is pleased to report that there are no any serious governance issues reported by the External Auditors, BOG Audit Committee or any other Government Authority providing oversight and that there is no conflict of Interest from any of our Board of Governors' Members.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITYREPORTING

Maasai Mara Technical and Vocational College exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence.

Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

In MMTVC, we don't just give students an education and experiences that set them up for success in a career. We help them succeed in their career—to discover a field they're passionate about and dare to lead it. We recognize that this is the foundation of a strong and self-sustaining society. To achieve this, we strive to integrating sustainability principles and practices across all our departments and throughout all our activities: administration and governance, operations, research, teaching & learning, community engagement and outreach activities.

Everyone in the institution is committed to work together as one unit to contribute to the sustainability of the institution. Students, staff and even the community in general is committed to their responsibilities that will ensure the continuity of the institution

2. Environmental performance

The institution commits to reduce environmental impact through farming that is done by the students and financed by the institution. The farm produce will be sold to the neighbouring community at affordable prices. Farming contributed positively to the ecosystem and contributes to the global goals of greenhouses gases reduction. Other activities include waste management, planting trees ect.

MMTVC recognises that today's society is more informed and responsive to issues of accountability, with increased demand for quality and efficient service delivery and skills acquisition. There is therefore responsibility on the institution to provide other Institutions with skilled personnel who will contribute in service delivery for national development.

3. Employee welfare

We integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviours of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We integrate the principles of social responsibility into our training activities externally by minimizing our environmental impact and seeking to enhance the amenity of residential communities

4. Market place practices-

The institute has maintained good business practice by complying with the government policy and Section 227 of The Constitution of Kenya.

All procurement activities have continuously been carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure. The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs. MMTVC has at all-time ensured responsible treatment of the suppliers in various ways as featured below;

- a) Ensuring proper communication channels e.g. Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers.
- b) Providing customer support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.

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- c) When doing procurement planning the institute has complied with preference and reservation requirements.
- d) Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the supplier and also avoiding of penalties that may arise from delayed payment.
- e) Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers.

5. Community Engagements-

This being our first year of operation, the organisation did not engage in any CSR activity.

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended June 30, 2018 which show the state of the *entity's* affairs.

Principal activities

The principal activity of the entity is to provide skills for sustainable development by offering quality and relevant programmes.

Results

The results of the entity for the year ended June 30 2018 are set out on page 1 to 16

Governing Board

The members of the Board who served during the year are shown on page v – viii in accordance with the appointments made then by the Cabinet Secretary, Ministry of Education.

Auditors

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

By Order of the Board



John Kilonzo
Corporate Secretary
Nairobi

Date: 4/8/2022

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
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STATEMENT OF BOARD OF GOVERNORS MEMBERS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and the TVET Act No. 29 of 2013 require the Board of Governors to prepare financial statements which give a true and fair view of the state of affairs of the *Maasai Mara Technical and Vocational College* at the end of the financial year 2017/18 and the operating results of the Konoin TTI for FY 2017/18. The Board of Governors are also required to ensure that the *Maasai Mara Technical and Vocational College* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Maasai Mara Technical and Vocational College*. The Board of Governors are also responsible for safeguarding the assets of the *Maasai Mara Technical and Vocational College*.

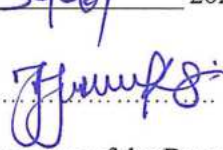
The Board of Governors are responsible for the preparation and presentation of the *Maasai Mara Technical and Vocational College's* financial statements, which give a true and fair view of the state of affairs of the *Maasai Mara Technical and Vocational College* for the financial year ended June 30, 2020. 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 *Maasai Mara Technical and Vocational 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 *Maasai Mara Technical and Vocational College*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

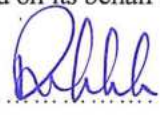
The Board of Governors accept responsibility for the *Maasai Mara Technical and Vocational College's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act No. 29 of 2013. The Board of Governors are of the opinion that the *Maasai Mara Technical and Vocational College's* financial statements give a true and fair view of the state of *Maasai Mara Technical and Vocational College's* transactions during the financial year ended June 30, 2020, and of the *Maasai Mara Technical and Vocational College's* financial position as at that date. The Board of Governors further confirm the completeness of the accounting records maintained for the *Maasai Mara Technical and Vocational College*, which have been relied upon in the preparation of the *Maasai Mara Technical and Vocational College's* financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board of Governors to indicate that *Maasai Mara Technical and Vocational College* will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The *Maasai Mara Technical and Vocational College's* financial statements were approved by the Board on 30/6/20 2020 and signed on its behalf by:


.....
Chairperson of the Board


.....
Accounting officer/Principal

REPUBLIC OF KENYA

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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 MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2018

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Maasai Mara Technical and Vocational College set out on pages 1 to 16, which comprise the statement of financial position as at 30 June, 2018 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Maasai Mara Technical and Vocational College as at 30 June, 2018, 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 Public Finance Management Act, 2012 and the Technical and Vocational Education Training Act, 2013.

Basis for Adverse Opinion

1. Presentation and Inaccuracies of Financial Statements

A review of the financial statements provided for audit review revealed the following anomalies:

- i) The statement of changes in net assets reflects a surplus for the year of Kshs.8,889,955 which is at variance with the amount of Kshs.10,359,346 reported in the statement of financial performance resulting to an unexplained variance of Kshs.1,469,391.
- ii) Note 18 to the financial statements reflects a net book value balance for property, plant and equipment of Kshs.80,438,680 as at 30 June, 2018. However, a recomputation of the net book value yielded an amount of Kshs.78,169,238 resulting into an unexplained variance of Kshs.2,269,442. Further, the Note

discloses depreciation for the year of Kshs.2,043,109 which has not been reflected in the statement of financial performance resulting into an overstatement of the net surplus for the year. Additionally, the Note discloses opening balances of Kshs.49,862,472 and Kshs.23,500,000 in respect of buildings and land respectively, which were not supported by ownership documents, schedules and valuation reports.

- iii) The statement of cash flows reflects a balance of Kshs.117,698 for cash and cash equivalents as at 01 July, 2017 whose basis and supporting documents were not provided.
- iv) The statement of comparison of budget and actual amounts reflects total actual income of Kshs.28,584,809 which is at variance with the total revenue of Kshs.30,054,200 reflected in the statement of financial performance by an unexplained variance of Kshs.1,469,391. Further, the statement reflects a negative performance difference of Kshs.16,532,761 and Kshs.93,376,383 in respect of total income and total expenditure, respectively. However, the amounts differ with the recomputed performance difference of Kshs.53,910,081 and Kshs.114,466,983 by unexplained variances of Kshs.130,999,744 and Kshs.21,090,600, respectively.
- v) The statement of financial position reflects a capital fund balance of Kshs.73,588,805 which varies with the total capital grants of Kshs.70,500,000 reflected in the statement of changes in net assets by an unexplained difference of Kshs.3,088,805.

In the circumstances, the accuracy of the financial statements for the year ended 30 June, 2018 could not be confirmed.

2. Failure to Submit Financial Statements

As reflected under the Key Entity Information and Management Section of the Annual Report, the College received its first batch of students in January, 2017. However, the financial statements for the six months ended 30 June, 2017 were not prepared and presented for audit.

3. Unsupported Expenditure

3.1. Fuel, Oil and Lubricants

The statement of financial performance reflects local travel and transport expenses of Kshs.872,428 which, as disclosed in Note 12 to the financial statements, include fuel, oil and lubricants expenditure of Kshs.331,420. However, copies of motor vehicle work tickets to support the expenditure were not provided for audit verification.

In the circumstances, the validity and accuracy of fuel, oil and lubricants expenditure of Kshs.331,420 could not be confirmed.

3.2. Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.2,422,693 which as disclosed in Note 16 to the financial statements, comprises cash in hand balance of Kshs.70,300 and Kshs.2,352,393 held in three (3) local bank accounts. However, the board of survey report and bank reconciliation statements in support of the balances were not provided for audit verification.

In the circumstances, the existence and accuracy of cash and cash equivalents balance of Ksh.2,422,693 as at 30 June, 2018 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Maasai Mara 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.

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. Late Submission of Financial Statements

Management submitted the College's financial statements for the year ended 30 June, 2018 to the Office of the Auditor-General for audit purposes on 9 February, 2021 – more than two years after the statutory deadline of 30 September, 2018 contrary to Section 81(4)(a) of the Public Finance Management Act, 2012 which states that not later than three months after the end of each financial year, the Accounting Officer for the entity shall submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget, The National Treasury and the Commission on Revenue Allocation.

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

2. Irregular Payment to Trainers

The statement of financial performance reflects employee costs totalling Kshs.5,140,699. However, the amount includes Kshs.837,905 that was paid to trainers who were not licensed and registered by the Technical and Vocational Education and Training Board. This is contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 which requires any person intending to become a trainer in an Institution to apply for licensing and registration by the Technical and Vocational Education and Training Board.

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

3. Irregular Payment of Sitting Allowance

The statement of financial performance reflects an amount of Kshs.890,000 in respect of remuneration of Directors. Review of supporting schedules and payment vouchers provided for audit revealed that the amount was in respect of Board allowances which were paid at the rate of Kshs.10,000 for the Chairman and Kshs.8,000 for the other Board Members. However, the rates had not been approved by the Cabinet Secretary contrary to Section 17 of the Second Schedule of the Technical and Vocational Education and Training Act, 2013 which states that members of a Board of Governors shall be paid in respect of their services such remuneration or allowances as the Board of Governors shall, with the approval of the Cabinet Secretary, determine.

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

4. Unbalanced Budget

The statement of comparison of budget and actual amounts reflects total income and expenditure budget of Kshs.82,494,890 and Kshs.134,161,837, respectively. However, the approved budget by the Board was not provided for audit verification. Further, expenditure budget outstripped the income budget by Kshs.51,666,947 causing the budget to be unbalanced contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that unless provided otherwise in the Act, the Regulations or any other guidelines developed in furtherance of the Act or the Regulations, budget shall be balanced.

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 governance were not effective.

Basis for Conclusion

Lack of a Risk Management Policy

Review of the internal control processes revealed that the College had not developed risk management strategies contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which provides that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

Failure to develop risk management strategies may impair effectiveness in the management of risk and internal control systems.

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 governance.

In preparing the financial statements, Management is responsible for assessing the College'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 College 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 College's financial reporting process, reviewing the effectiveness of how the 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 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 College'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 College's ability 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 College to cease 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 College 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

06 October, 2022

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

IV. STATEMENT OF FINANCIAL PERFORMANC FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2017/2018	2016/2017
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government–grants	6	16,500,000	-
Transfers from other levels of government	7	1,000,000	-
Total Revenue from non-exchange transactions		17,500,000	-
Revenue from exchange transactions			
Rendering of services- Fees from students	8	12,548,200	
Rental revenue from facilities and equipment	9	6,000	
Revenue from exchange transactions		12,554,200	
Total revenue		30,054,200	
Expenses			
Use of goods and services	10	2,536,167	-
Employee costs	11	5,140,699	
Local Travel and Transport	12	872,428	-
Remuneration of directors	13	890,000	-
Repairs and maintenance	14	3,195,837	-
General expenses	15	7,059,723	-
Total expenses		19,694,854	-
Net Surplus for the year		10,359,346	

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

V. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Notes	2017/2018 Kshs	2016/2017 Kshs
Assets			
Current assets			
Cash and cash equivalents	15	2,422,693	
Receivables from exchange transactions	16	928,410	
Total Current Assets		3,351,103	
Non-current assets			
Property, plant and equipment	18	80,438,680	
Total Non-current Assets		80,438,680	
Total assets		83,789,783	
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	1,193,325	-
Total Current Liabilities		1,193,325	-
Total liabilities		1,193,325	-
Capital and Reserves			
Reserves			
Accumulated surplus		9,007,653	
Capital Fund		73,588,805	
Total Capital and Reserves		79,507,653	
Total Liabilities and Capital & Reserves		83,789,783	

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Institute Board of Governors by:

Chairman of Board of Governors

Date: 4/8/2022

Finance Officer
ICPAK No

Date: 4/8/2022

Principal

Date: 4/8/2022

**MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

VI. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated surpluses KShs	Capital grants KShs	Total KShs
Balance b/f at July 1, 2016	-	-	-
Surplus for the year	117,698	-	
Balance c/d as at June 30, 2017	117,698	-	
Balance b/f as at July 1, 2017	117,698	-	
Total comprehensive income	8,889,955	-	
Capital/Development grants received during the year		70,500,000	
Balance c/d as at June 30, 2018	9,007,653	70,500,000	

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

VII. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

		2017/2018	2016/2017
	Note	Kshs	Kshs
Cash flows from operating activities			
Net cash flows from operating activities	18	9,154,870	
Investing activities			
Cash paid for purchase of property, plant and equipment	17	(6,849,875)	
Net cash from/(used in) investing activities		(6,849,875)	
Net increase/(decrease) in cash and cash equivalents		2,304,995	
Cash and cash equivalents at 1 July		117,698	
Cash and cash equivalents at 30 June	14	2,422,693	



MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

VIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2018

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference
	2017-2018	2017-2018	2017-2018	2017-2018	2017-2018
	Kshs	Kshs	Kshs	Kshs	Kshs
Revenue					
Transfers from other Govt entities Govt grants	1,528,350	-	1,528,350	16,000,000	-5,341,650
Grants from other government bodies	67,704,000	-	67,704,000	1,000,000	-24,351,827
Rendering of services- Fees from students	13,262,540	-	13,262,540	101,824	13,160,716
Other income				11,584,419	
Total income	82,494,890	-	82,494,890	28,584,809	-16,532,761
Expenses					
Compensation of employees	13,304,112	-	13,304,112	2,933,687	825,005
Use of Goods and services	36,602,025	-	36,602,025	5,615,607	23,547,968
Repairs, Maintenance & improvements	1,903,000	-	1,903,000	890,000	1,404,045
Remuneration of directors	2,908,000	-	2,908,000	3,195,837	2,644,000
General expenses	79,444,700	-	79,444,700	7,059,723	64,955,365
Total expenditure	134,161,837	-	134,161,837	19,694,854	93,376,383
Surplus for the period	-51,666,947	-	-51,666,947	8,889,955	76,843,622

IX. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Maasai Mara Technical and Vocational college is established by and derives its authority and accountability from PFM Act, the State Corporations Act and the TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The institute is established under the Ministry of Higher Education, Science and Technology via certificate number **TVETA/PUBLIC/RC/0018/2016**

The entity's principal activity is to provide skills for sustainable development by offering quality and relevant programmes.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Budget information

The original budget for FY 2017/2018 was approved by the Board on 28TH JUNE 2017. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

c) Property, plant and equipment

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

d) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. During the year under review the entity had got the following reserve accounts:

- a. Accumulated surplus
- b. Capital grants

e) Changes in accounting policies and estimates

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Related parties

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

g) 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.

h) Comparative figures

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

i) 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, 2018.

4 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

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6. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2017-2018	2016-2017
	KShs	KShs
Unconditional grants		
Operational grant	15,000,000	
Other grants	1,500,000	
Total government grants and subsidies	16,500,000	

6b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	2018-2019
			KShs	KShs	KShs
Ministry of Education State Department of Vocational and Technical Training					
Total					

7. TRANSFER FROM OTHER LEVELS OF GOVERNMENT

Description	2017-2018	2016-2017
	KShs	KShs
Transfer from County government of Narok	1,000,000	
Total	1,000,000	

8. RENDERING OF SERVICES

Description	2017-2018	2016-2017
	KShs	KShs
Tuition fees	12,548,200	
Total Rendering of Services	12,548,200	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. RENTAL REVENUE FROM FACILITIES

Description	2017-2018	2016-2017
	KShs	KShs
Rent	6,000	
Total rentals	6,000	

10 USE OF GOODS AND SERVICES

Description	2017-2018	2016-2017
	KShs	KShs
Electricity	1,199,165	-
Tuition	72,802	-
Students Activity	609,750	-
Students Council	49,100	-
Students ID	20,350	-
Students Insurance	3,150	-
Industrial Attachment	56,850	-
Subscriptions	525,000	-
Total good and services	2,536,167	-

11 EMPLOYEE COSTS

	2017-2018	2016-2017
	KShs	KShs
Salaries and wages	2,490,699	-
Housing benefits and allowances	2,650,000	-
		-
Total Employee costs	5,140,699	-

12. LOCAL TRAVEL AND TRANSPORT EXPENSES

	2017-2018	2016-2017
Travel, motorcar, accommodation, subsistence and other allowances	474,908	-
Fuel Oil and Lubricants	331,420	-
Domestic travel and Subsistence	66,100	-
	872,428	

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13. REMUNERATION OF DIRECTORS

Description	2017-2018	2016-2017
	KShs	KShs
Other allowances	890,000	
Total director emoluments	890,000	

14. REPAIRS AND MAINTENANCE

Description	2017-2018	2016-2017
	KShs	KShs
Property - Fencing	1,720,090	
Investment property-earning rentals	810,010	
Other	665,737	
Total Repairs and Maintenance	3,195,837	

15. GENERAL EXPENSES

Description	2017-2018	2016-2017
	KShs	KShs
Advertising	731,550	
Admin fees	3,428,956	
Accommodation	2,141,132	
Exam fees	169,630	
Medical insurance	63,580	
Printing and stationery	350,000	
Gardening	51,000	
Bank Charges	52,313	
Others	71,562	
Total general expenses	7,059,723	

16. CASH AND CASH EQUIVALENTS

Description	2017-2018	2016-2017
	KShs	KShs
Current account	2,352,393	
Cash on hand	70,300	
Total cash and cash equivalents	2,422,693	

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

Financial institution	Account number	2017-2018 KShs	2016-2017 KShs
a) Current account			
Main KCB acc	1202645658	1,589,568	
Operational Transnational	162985001	762,435	
Development acc	1202643957	390	
Sub- total			
b) Others(specify)			
cash in hand		70,300	
Sub- total		70,300	
Grand total		2,352,393	

17. RECEIVABLES FROM EXCHANGE TRANSACTIONS

15(a)

Description	2017-2018 KShs	2016-2017 KShs
Receivables		
Receivables from Exchange Transactions		
Current receivables		
Student debtors	928,410	
Total current receivables from exchange	928,410	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. PROPERTY, PLANT AND EQUIPMENT MOVEMENT SCHEDULE

	Buildings	Land	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 30 th June 2017	49,862,472	23,500,000	-	-	-	-	-	-
Additions	-	-	-	2,178,875	761,000	3,910,000	-	-
At 30 th June 2018	49,862,472	23,500,000	-	2,178,875	761,000	3,910,000	-	-
Depreciation and impairment								
At 30 June 2017	-	-	-	-	-	-	-	-
Depreciation	1,053,700	-	-	272,359	228,300	488,750	-	2,043,109
At 30 th June 2018	1,053,700	-	-	272,359	228,300	488,750	-	2,043,109
Net book values								
At 30 th June 2018	48,808,772	23,500,000	-	1,906,516	532,700	3,421,250	-	80,438,680
At 30 th June 2018	49,862,472	23,500,000	-	2,178,875	761,000	3,910,000	-	77,349,875

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2017-2018	2016-2017
	KShs	KShs
Trade payables	1,193,325	
Total trade and other payables	1,193,325	

20. CASH GENERATED FROM OPERATIONS

	2019-2020	2018-2019
	KShs	KShs
Surplus for the year before tax		
Surplus for the year	8,889,955	
Adjusted for:		
Depreciation	-	-
Working Capital adjustments		
(Increase) in receivables	(928,410)	-
Decrease in payables	1,193,325	-
Net cash flow from operating activities	9,154,870	

21. EVENTS AFTER THE REPORTING PERIOD

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

22. ULTIMATE AND HOLDING ENTITY

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

23. Currency

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

**MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE
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APPENDIX I: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received	Nature: Recurrent/Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized					Total Transfers during the Year
					Capital Fund	Deferred Income	Receivables	Others - must be specific		
Ministry of Education		Recurrent	15,000,000	15,000,000						
Ministry of Education		Development	1,500,000	1,500,000						
Narok County government		County grants	1,000,000	1,000,000						
Total			17,500,000	17,500,000						

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