

REPUBLIC OF KENYA



REPORT

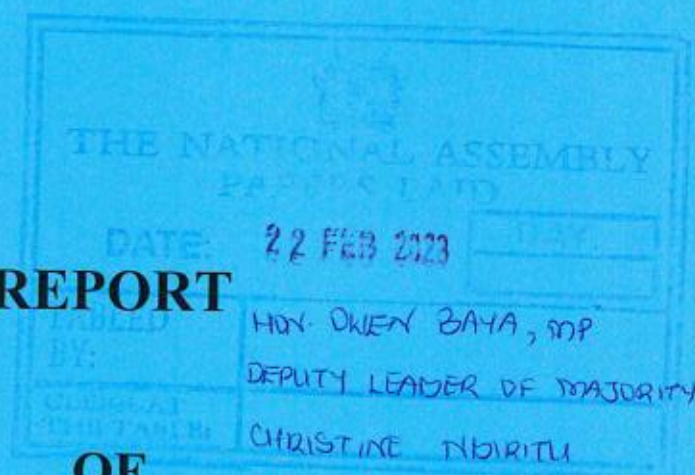
OF

THE AUDITOR-GENERAL

ON

**MAASAI MARA TECHNICAL AND
VOCATIONAL COLLEGE**

**FOR THE YEAR ENDED
30 JUNE, 2020**





MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2020**

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

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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 Naretai Development community Centre Board of Trustees and the Management Committee made a resolution on 11th December 2010 to transfer the Naretai 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
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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 2020 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.TOM ANODE 2.PAUL SANKALE 3. JULIUS YENKO
Audit & Risk Committee	1.DORIS TOCHIU 2.RAPHAEL SARINKE

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

THE BOARD OF GOVERNORS



1. JULIUS T. OLE YENKO

Key Qualifications:

- 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

Date of Birth; 1976

Work Experience

- 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 Sunkul \$ Co. Advocates Narok
- 2012 to Date Partner at Ole Yenko Company Advocates – Narok



2. JOHN M. KILONZO

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

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



3. SAMMY S. KASERO

Key Qualifications

- May 2010- July 2013
Undergraduate:
Bachelor of Arts
Leadership and Management
St. Paul's University College
- 1985 **Diploma**
Business Administration
Universal College-Nairobi
- 1972-1975 **High School:**
E.A.C.E Narok Secondary School

Date of Birth:

Work Experience

- 1976-2014 -**Central Bank of Kenya**
-Foreign Exchange
dealer
-Assistant Manager in
charge of Back office
operations
- 2015-2018 -**St.Anthony Sec.School**
BOM Chairman
- 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



4. PAUL SANKALE LOONTUROT

Key Qualifications

- 2018: Msc. Construction Engineering
JKUAT
- 2013: Bachelor of Philosophy Civil
Engineering TUK
- 2007: Higher Dip. In Construction
Engineering Kenya Polytechnic
- 2004: Kenya Institute of Highways &
Building Tech Diploma in Building
Construction

Date of Birth: May 8th 1983



Work Experience

- 2015 to date Maasai Mara University Ag. Estate
Manager
- 2009-2015 – NUC/Maasai Mara University Clerk
of Works
- 2008-2009 CIVICON Ltd Assistant Quality
Control Officer
- 2005-2007 J M Kariuki Concsultants Site Agent



Work Experience

- 2012 to Present: Maseno University Parttime
Lecturer
- 2005 to date: Pragmatic Ltd -Research
Consult/Trainer
- 1998-2005 Private Consultant/Trainer
- 1996-1997 Population Council - Research /Team
Leader

<p>5. TOM ANODE</p> <p>Key Qualifications</p> <ul style="list-style-type: none"> • 2009: M.A Project Planning & Mgt UON • 1983: B.A (Hons.) Sociology and Political Science UON • 1987: PGDE Kenyatta University • 1990: Post Graduate Dip. In Computer Science India 	<ul style="list-style-type: none"> • 1994-1996 ICIPE Research Centre Research/Admin./Asst.
 <p>6. RAPHAEL S. OLE SARINKE</p> <ul style="list-style-type: none"> • 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>Date of Birth:</p> <p>Work Experience</p> <ul style="list-style-type: none"> • 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 Systems Administrator-Kenya
 <p>7. DENNIS OTIENO</p> <p>Key Qualifications</p> <ul style="list-style-type: none"> • 2010-2011 Executive Masters of Business Administrative (JKUAT) • 1990-1992 Higher National Diploma - Mechanical Engineering Plant Option – Kenya Polytechnic (Registered Technician Engineer) 	<p>Date of Birth:</p> <p>Work Experience</p> <ul style="list-style-type: none"> • 2004 – 2015: K.P.L.C Training School—Principal • 2004-2007 Board Member - Mombasa Polytechnic • 1996-2004 Chief Lecturer – K.P.L.C Training School • 1995-1996 Field Training Co-ordinator KPLC Training School • 1982-1995 Senior Automotive Instructor –KPLC Training School • 1980-1981 Assistant Instructor – Ministry of labour (Director of Industrial Training)

<ul style="list-style-type: none"> • 1980-1981 Diploma Technical Education – KTTC • 1975-1980 Technician Apprenticeship – Hughes Ltd • 1971-1974 East Africa School Certificate – Div.2 Awarded full Technology Certificate Rift Valley Technical School Eldoret • 1964-1970 Certificate of Primary Education (CPE) – 32 points, Jamji Primary School – Kericho. 	
<div data-bbox="220 504 715 1055" data-label="Image"> </div> <p>8. DORRIS TOCHIU IMARIA</p> <ul style="list-style-type: none"> • 2009: Bachelor of Commerce – University of Nairobi • 2019: ACCA – Accredited Chartered Certified Accountants. London 	<ul style="list-style-type: none"> • Feb 2019 – Present – Consulting Chief Finance Officer – SoProCFO • Aug 2018- July 2019 – Independent Financial Reporting Consultant – Deloitte Kenya • Dec 2017- July 2018- Audit Consultant - RSM US LLP – • Jan 2013 – Nov 2017 External Audit – PKF Kenya

MANAGEMENT TEAM

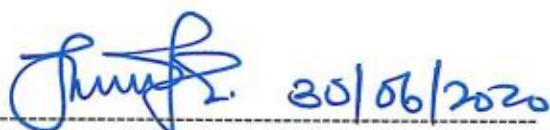
Name of the Staff	Responsibility
John M. Kilonzo	Senior Principal
Stephen M. Sangiriaki	Deputy Principal
Isaac M. Orero	Registrar
Lydia N. Karanu	Dean Of Students
Noah L. Matipe	Accountant
Veronicah Loonturot	Procurement Officer

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 CHAIRMA

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.

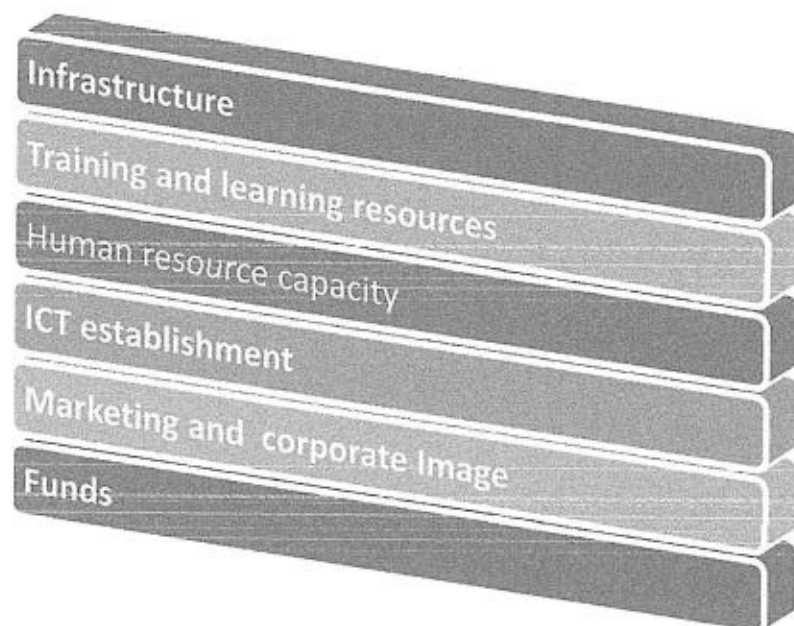


PRINCIPAL/SECRETARY TO THE BOARD OF GOVERNORS

Date: 20th Sept, 2020

REVIEW OF MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE PERFORMANCE FOR FY 2019/2020

Maasai Technical and Vocational College has six strategic pillars and objectives within its Strategic Plan for the FY 2018/2019- 2022/2023. 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 2018/2019 period for its 3 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

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 2018/19, there was 71% eligible attendance at all meetings of the Board and Committees. The following table shows the number of meetings held during 2019/2020, the attendance of each Member;

The Board is appointed once every year in January. The below list of board members show the members in office from January 2019 to December 2020 and they held 1 full board meeting for the year 2019/2020.

	FULL BOG	TOTAL ATTENDANCE
DATE	07/02/2020	
Julius Momposhi Sasai - Chairperspon	PRESENT	1
Jacob K. Muisyo -Member	ABSENT	0
Elizabeth S. Lolchoki-Member	ABSENT	0
Julius Ole Yenko - Chairperson	ABSENT	1
Raphael Sarinke - Member	PRESENT	1
Sammy Sarababi Kasero - Member	PRESENT	1

MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

Philip Tipaa	ABSENT	0
Connie Mogaka	ABSENT	0
John M. Kilonzo - Secretary	PRESENT	1
Olivia Odongo	ABSENT	0

The members who held office from January 2020 are listed below and they held 1 full board meeting and 1 special meeting for the year 2019/2020.

	FULL BOG	SPECIAL BOG	TOTAL ATTENDANCE
Date	07/02/2020	04/06/2020	
Julius Ole Yenko - Chairperson	PRESENT	PRESENT	2
John M. Kilonzo - Secretary	PRESENT	PRESENT	2
Olivia Odongo	PRESENT	PRESENT	2
Paul Sankale Loonturot	PRESENT	PRESENT	2
Dennis O. Omenda	PRESENT	ABSENT	1
Tom O. Anode	PRESENT	PRESENT	2
Doris Tochiu Imaria	ABSENT	ABSENT	0
Raphael Sarinke - Member	PRESENT	ABSENT	1
Sammy Sarababi Kasero - Member	PRESENT	PRESENT	2

Note:

- 1) There were 5 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 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.

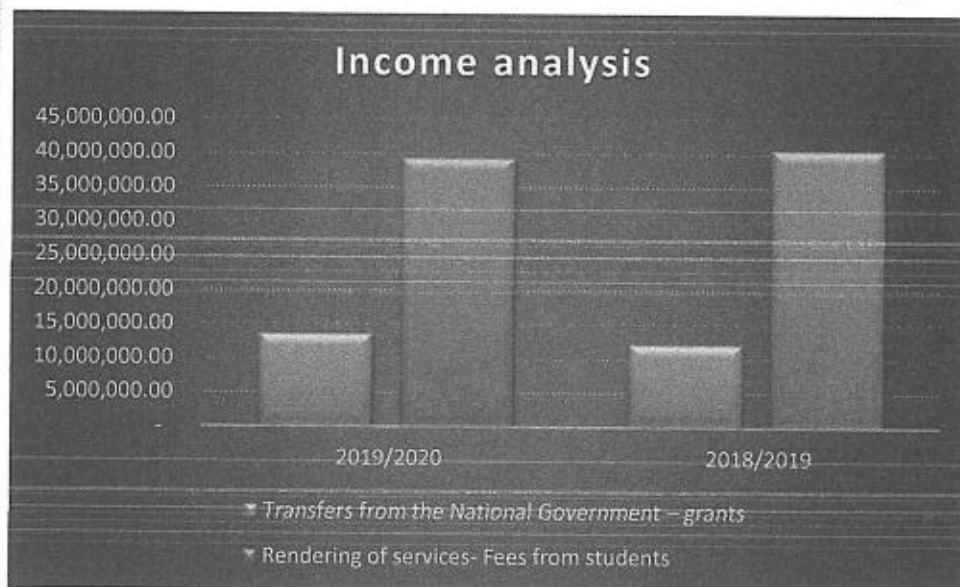
Keeping the Institute clean, tidy and free from any damage.

MANAGEMENT DISCUSSION AND ANALYSIS

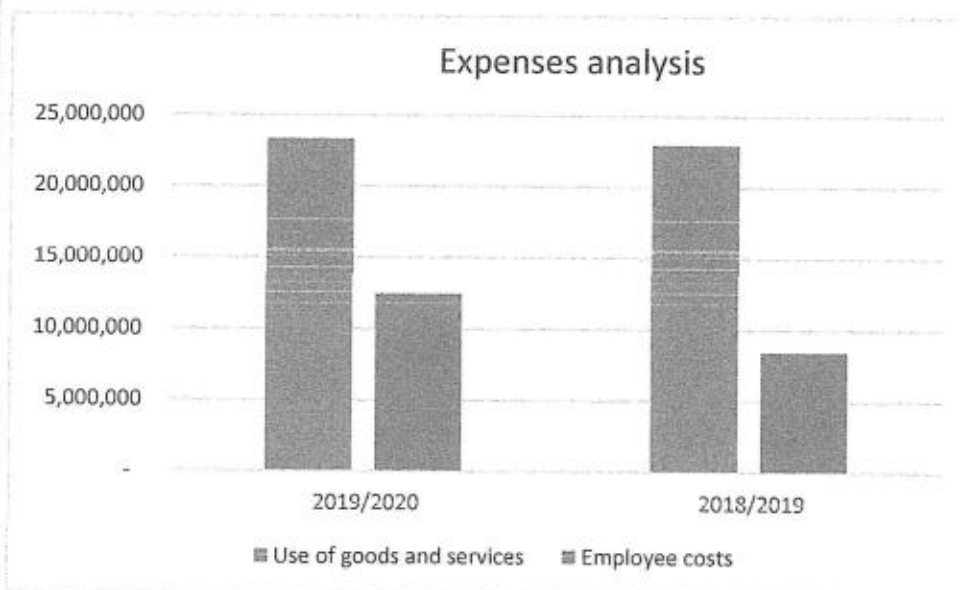
The entity's operational and financial performance

During the year 2019/2020, MMTVC had **1,253** students compared to 800 in year 2018/2019. Though the student numbers increased during the year, the revenue from rendering of services decreased due to interruptions paused by Covid 19 pandemic that caused the schools to be closed in the fourth quarter.

There was a slight increase in Government Capitation from Ksh 12,195,090 in the year 2018/2019 to Ksh. 13,648,971 in the year 2019/2020 because the institution in year 2018/2019 only capitation for three quarters were received same as 2019/2020 but the student numbers had increased in year 2019/2020.



Other income increased from Ksh. 1,126,400 in the year 2018/2019 to Ksh. 916,894 in the year 2019/2020 mainly because the institution was closed in the 4th quarter due to the current pandemic.



Employees costs increased from Ksh. 8,440,087 in the year 2018/2019 to Ksh. 11,479,107 in the year 2019/2020 due to recruitment done during the year. The institution recruited the following personnel;

During the financial year 2019/2020, the institution commissioned construction of a tuition block which is still under construction.

	Project	Budget	Completion percentage
1	Hospitality Training Facility	3,000,000	100%
3	Male students Hostel	1,500,000	100%
4	Students Ablution Block	1,500,000	100%
5	School bus	7,000,000	0%

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

Key Investment Decision that the Institution is currently planning to undertake is farming.

The investment decision is highly viable since the Institute has good opportunities such as, reliable source of water from nearby stream, ready market for the products it intends to produce, and favorable climatic conditions for cultivation.

Key Projects that Institution is planning to undertake are as follows;

- i. Construction of sports and games infrastructure to be funded by the Institutions internally generated income.
- ii. Construction of students' classrooms which the institution will seek funding from the National Government's Ministry of Education State Department of Technical and Vocational Training
- iii. Sinking a borehole in a bid to source for clean water where the Institution is yet to determine the source of funding.

All this project and investment decisions will enable the Institution increase student's enrollment which will assist the Government realize vision 2030 through provision of Technical Training to the Youth.

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/SUSTAINABILITY REPORTING

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.
- 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-

During the year under review, the institute carried out various CSR activities to impact the society.

1. 10. 19

2. 10. 19

REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended June 30, 2020 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 2020 are set out on page pages 1 to 20

Governing Board

The members of the Board who served during the year are shown on page iv. During the year 30 June 2020 there was no board member retired/ resigned.

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 M. Kilonzo
Corporate Secretary
Nairobi

Date:...



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 2019/20 and the operating results of the Konoin TTI for FY 2019/20. 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*.

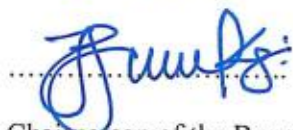
The Board of Governors are responsible for the preparation and presentation of the *Maasai Mara Technical and Vocational College's* financial statements, which give a true and fair view of the state of affairs of the *Maasai Mara Technical and Vocational College* for the financial year ended June 30, 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 30/06/2020 2020 and signed on its behalf by:



Chairperson of the Board



Accounting officer/Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MAASAI MARA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2020

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 20, which comprise the statement of financial position as at 30 June, 2020 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, 2020, 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 in the Financial Statements

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

- i) The statement of cash flows reflects an amount of Kshs.45,558,877 in respect of cash generated from operations. However, the corresponding Note 25 to the financial statements reflects an amount of Kshs.44,093,877 resulting into an unexplained variance of Kshs.1,465,000. Further, the Note reflects an increase in receivables of Kshs.5,200,299 which varies with the recomputed decrease of Kshs.1,166,698 by Kshs.6,366,997.
- ii) The comparative balances reflected in the financial statements differ with those reflected in the prior year's audited financial statements as shown below:

Statement	Item	Comparative Balance in the Financial Statements (Kshs.)	Prior Year Audited Balance (Kshs.)	Variance (Kshs.)
Statement of Financial Performance	Use of Goods and Services	22,972,572	24,046,208	(1,073,636)
	Employee Costs	8,440,087	7,366,451	1,073,636
Statement of Cash Flows	Cash Generated by Operations	18,285,576	4,191,522	14,094,054
	Increase in Cash and Cash Equivalents	12,600,594	1,493,460	11,107,134
	Cash and Cash Equivalents at end of year	15,023,287	929,233	14,094,054
Note 11/10	Accommodation Expenses	1,551,600	4,942,055	(3,390,455)
	Student Meals	3,390,455	-	3,390,455
Note 12/11	Total Employee Costs	8,440,087	7,366,451	1,073,636
Note 17	Receivable from NYS	10,594,054	-	10,594,054

The variances were not reconciled or explained.

- iii) The financial statements have been inconsistently titled, with some pages headed as "Maasai Mara Technical Training Institute" while others are headed as "Maasai Mara Technical and Vocational College". This is contrary to the provisions of Paragraph 63 of IPSAS 1 on Presentation of Financial Statements which provides that the name of the reporting entity or other means of identification shall be displayed prominently and repeated when it is necessary for a proper understanding of the information presented.
- iv) The Notes referenced to the financial statements are not correctly matched with the corresponding Notes contrary to Paragraph 128 of the IPSAS 1 on Presentation of Financial Statements which provides that Notes shall, as far as practicable, be presented in a systematic manner and that each item on the face of the statement of financial position, statement of financial performance, statement of changes in net assets/equity and cash flows statement shall be cross-referenced to any related information in the notes.
- v) The statement of financial position reflects a balance of Kshs.38,229,008 in respect of cash and cash equivalents which, however, differs with the amount of Kshs.38,228,649 disclosed in the corresponding Note 16 to the financial statements by an unexplained variance of Kshs.359. Further, the balance differs with the amount of Kshs.53,787,703 reflected in the statement of cash flows by an unexplained variance of Kshs.15,558,695.

- vi) The statement of financial position reflects a balance of Kshs.72,672,760 in respect of capital funds which differs with the amount of Kshs.68,638,800 reflected in the statement of changes in net assets and Note 23 to the financial statements by an unexplained variance of Kshs.4,033,960.
- vii) The statement of financial position reflects a balance of Kshs.14,938,398 in respect of receivables from exchange transactions which, however, differs with the amount of Kshs.10,904,797 disclosed in the corresponding Note 17 to the financial statements by an unexplained variance of Kshs.4,033,601.
- viii) The statement of financial performance reflects a net surplus for the year of Kshs.17,484,834 which is, however, at variance with the amount of Kshs.15,105,011 reflected in the statement of changes in net assets by an unexplained variance of Kshs.2,379,823.
- ix) The statement of changes in net assets reflects transfer of depreciation of Kshs.921,200 from accumulated surplus to capital grants. However, the statement of financial performance reflects a depreciation charge of Kshs.1,858,407 resulting into an unexplained variance of Kshs.937,207. In addition, the transfer of depreciation amounting to Kshs.921,200 from accumulated surplus to capital grants was not explained.
- x) The statement of financial position reflects accumulated surplus balance of Kshs.43,175,627 which varies with the recomputed balance of Kshs.44,634,250 resulting into an unexplained variance of Kshs.1,458,623.

In the circumstances, the accuracy of the financial statements for the year ended 30 June, 2020 could not be confirmed.

2. Unsupported Valuation of Property, Plant and Equipment

The statement of financial position reflects a property, plant and equipment balance of Kshs.85,927,802. As disclosed in Note 19 to the financial statements and the supporting schedules, the amount includes Kshs.23,500,000, Kshs.50,598,656, Kshs.372,890 and Kshs.2,993,594 being the value of land, buildings, computers and equipment respectively, which were donated to the College by the Ministry of Education. However, as previously reported, evidence of the valuation of the assets, in accordance with the provisions of Paragraph 27 of IPSAS 17 on Property, Plant and Equipment that the cost of an asset acquired through a non-exchange transaction be measured at its fair value as at the date of acquisition, was not provided.

In the circumstances, it could not be confirmed that the property, plant and equipment balance of Kshs.85,927,802 as at 30 June, 2020 was fairly stated.

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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects revenue budget and actual revenue of Kshs.82,494,890 and Kshs.53,938,055, respectively, resulting into an under-collection of Kshs.28,556,835 or 35% of the budget. Management did not provide a reason for the under-collection of income. Similarly, the statement reflects budgeted expenditure of Kshs.70,437,890 against the actual expenditure of Kshs.38,833,044 resulting into an under-expenditure of Kshs.31,604,846 or 45% of the budget.

The under-collection and under-expenditure imply that some of the budgeted programs and activities by Management may not have been executed during the year.

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, 2020 to the Office of the Auditor-General for audit purposes on 9 February, 2021 more than four months after the statutory deadline of 30 September, 2020. This is 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.10,040,747. However, the amount includes Kshs.3,388,385 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.944,000 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.

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

As previously reported, the College had not developed a Risk Management Strategy contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National

Government) Regulations, 2015 which states 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 a Risk Management Strategy 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 sustain its services, disclosing, as applicable, matters related to sustainability of services, and using 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

11 October, 2022

IV. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2019/2020	2018/2019
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants	6	13,680,000	12,195,090
Total Revenue from non-exchange transactions		13,680,000	12,195,090
Revenue from exchange transactions			
Rendering of services- Fees from students	7	39,644,444	40,643,826
Rental revenue from facilities and equipment	8	5,000	11,000
Other income	9	915,094	1,115,400
Revenue from exchange transactions		40,564,538	41,770,226
Total revenue		54,244,538	53,965,316
Expenses			
Use of goods and services	10	23,368,215	22,972,572
Employee costs	11	10,040,747	8,440,087
Remuneration of directors	12	944,000	1,519,000
Repairs and maintenance	13	199,555	1,788,785
Depreciation charge	14	1,858,407	2,043,109
Local Travel & Transport		348,780	
Total expenses		36,759,704	36,763,553
Net Surplus for the year		17,484,834	17,201,763

V. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	2019/2020	2018/2019
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	15	38,229,008	929,233
Receivables from exchange transactions	16	14,938,398	17,570,096
Receivables from non - exchange transactions	17	4,965,000	3,500,000
Total Current Assets		58,132,406	21,999,329
Non-current assets			
Property, plant and equipment	18	85,927,802	80,991,748
Total Non-current Assets		85,927,802	80,991,748
Total assets		144,060,208	102,991,077
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	19	27,796,027	5,776,096
Refundable deposits from customers	20	326,320	158,130
Deferred income	21	89,474	347,435
Total Current Liabilities		28,211,821	6,281,661
Total liabilities		28,211,821	6,281,661
Reserves			
Accumulated surplus	23	43,175,627	27,149,416
Capital Funds	22	72,672,760	69,560,000
Total Capital and Reserves		111,814,427	96,709,416
Total Liabilities and Reserves		144,060,208	102,991,077

The Financial Statements set out on pages 1 to 20 were signed on behalf of the Institute Board of Governors by:


Chairman of Board of Governors

Date... 04/08/2022


Finance Officer

ICPAK No

Date 4/08/2022


Principal

Date... 4/08/2022

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

VI. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated surpluses	Capital Grants	Total
	Shs.	Shs.	Shs.
Balance b/f as at July 1, 2017	117,698	-	117,698
Capital grants from ministry	-	70,500,000	70,500,000
Surplus for the year	8,889,955	-	8,889,955
Balance c/d as at June 30, 2018	9,007,653	70,500,000	79,507,653
Balance b/f as at July 1, 2018	9,007,653	70,500,000	79,507,653
Surplus for the year	17,201,763		17,201,763
Transfer of depreciation from accumulated surpluses to capital grants	940,000	(940,000)	-
Balance c/d as at June 30, 2019	27,149,416	69,560,000	96,709,416
Balance b/f as at July 1, 2019	27,149,416	69,560,000	96,709,416
Surplus for the year	15,105,011		15,105,011
Transfer of depreciation from accumulated surpluses to capital grants	921,200	(921,200)	-
Balance c/d as at June 30, 2020	43,175,627	68,638,800	111,814,427

VII. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

		2019/2020	2018/2019
	Note	Kshs	Kshs
Operating activities			
Cash generated by operations	23	45,558,877	18,285,576
Net cash from operating activities		45,558,877	18,285,576
Investing activities			
Cash paid for purchase of property, plant and equipment	18	(6,794,461)	(5,684,982)
Net cash (used in) investing activities		(6,794,461)	(5,684,982)
Financing activities			
Development funds from the government		-	-
Net cash from financing activities		-	-
Increase in cash and cash equivalents		38,764,416	12,600,594
Movement in cash and cash equivalents			
At start of year		15,023,287	2,422,693
Increase/(decrease) in cash and cash equivalents		38,764,416	12,600,594
At end of year	15	53,787,703	15,023,287

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

VIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2020

	Original budget	Adjustment	Final budget	Actual on comparable basis	Performance difference
	2019-2020	2019-2020	2019-2020	2019-2020	2019-2020
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers from other Govt entities Govt grants	1,528,350		1,528,350	13,648,971	(12,120,621)
Rendering of services- Fees from students	67,704,000		67,704,000	39,372,190	28,331,810
Other income	13,262,540		13,262,540	916,894	12,345,646
Total income	82,494,890	-	82,494,890	53,938,055	28,556,835
Expenses					
Compensation of employees	13,304,112		13,304,112	10,040,747	1,505,005
Use of Goods and services	52,322,778		52,322,778	23,351,975	28,290,803
Repairs, Maintenance & improvements	1,903,000		1,903,000	199,555	1,703,445
Remuneration of directors	2,908,000		2,908,000	944,000	1,964,000
Depreciation			-	1,858,407	(1,858,407)
Total expenditure	70,437,890	-	70,437,890	38,833,044	31,604,846
Surplus for the period	12,057,000	-	12,057,000	15,105,011	(3,048,011)
Capital expenditure	12,057,000		12,057,000	6,794,461	1,505,005

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. ADOPTION OF NEW AND REVISED STANDARDS

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2020

Standard	Impact
IPSAS 40: Public Sector Combinations	<p>Applicable: 1st January 2019</p> <p>The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations.</p> <p><i>(There is no impact of the standard to the entity)</i></p>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 ADOPTION OF NEW AND REVISED STANDARDS (Continued)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2020

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2022:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(There is no impact of the standard to the entity)</i></p>
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p> <p><i>(There is no impact of the standard to the entity)</i></p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2022:</p> <ol style="list-style-type: none"> Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.

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Standard	Effective date and impact:
	d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

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.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Budget information

The original budget for FY 2019/2020 was approved by the Board on 21 June 2019. 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.

Depreciation on all other assets is calculated on the reducing balance basis method to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

	<u>Rate %</u>
Buildings	2
Plant and machinery	12.5%
Motor vehicles	25
Furniture and fittings	12.5
Computer equipment	30

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings in the statement of changes in equity.

d) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on

a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Computer software

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years.

e) Nature and purpose of reserves

a. Accumulated surpluses

This relates to surpluses brought forward and the one for the current year.

b. Capital reserves

This relates to fixed assets granted by the government or any other donor.

f) Changes in accounting policies and estimates

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

The changes in accounting policy that took place during the year is adoption of accrual basis of accounting from the cash basis. This policy will help the institution to report its financial performance and position more accurate and fairly state the position and performance than the cash basis.

g) Employee benefits

Retirement benefit plans

The College and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The institution's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

h) Related parties

MMTVC 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 Institution, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the Principal, Head of Finance and Head of Procurement.

The government of Kenya through the ministry of education is also related party to the MMTVC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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.

j) Comparative figures

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

k) 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.

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

6. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2019-2020	2018-2019
	KShs	KShs
Unconditional grants		
Operational grant	13,680,000	11,014,175
Other grants		
Conditional grants		
Development grants	-	1,180,915
Prior year deferred development grants utilised in 2019/2020	-	-
Total government grants and subsidies	13,680,000	12,195,090

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 KShs	Total grant income during the year KShs	2018-2019 KShs
Ministry of Education State Department of Vocational and Technical Training	13,680,000				12,195,090
Total	13,680,000				12,195,090

7. RENDERING OF SERVICES

Description	2019-2020	2018-2019
	KShs	KShs
Tuition fees	39,587,470	40,211,881
Activity fees	26,974	266,245
Library fees	7,700	49,900
Registration fees	22,300	115,800
Total Rendering of Services	39,644,444	40,643,826

8. RENTAL REVENUE FROM FACILITIES

Description	2019-2020	2018-2019
	KShs	KShs
Rent	5,000	11,000
Total rentals	5,000	11,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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9. OTHER INCOME

Description	2019-2020	2018-2019
	KShs	KShs
Farm Sales	2,000	81,880
Income from sale of tender	16,000	10,000
Meals and accommodation	887,094	901,220
Student identification card	10,000	6,500
Total other income	915,094	1,115,400

10. USE OF GOODS AND SERVICES

Description	2019-2020	2018-2019
	KShs	KShs
Tuition	8,378,832	6,786,864
Examination fee	1,341,870	2,396,616
Library Expenses	531,065	-
Students Activity	1,193,300	1,151,444
Advertising	367,389	264,920
Admin fees	5,909,315	4880196
Accommodation Expenses	1,202,500	1,551,600
Student meals	2,948,645	3,390,455
Gardening	201,970	118,574
Bank charges	-	1,305
Borehole Drilling	83,000	-
Insurance	50,485	-
E.W.C Expenses	644,624	1,563,288
Students Council	86,800	18,535
Medical	72,450	37,550
Student I.D	16,470	193,690
Industrial attachment	151,400	171,350
Asset Tagging	188,100	298,125
Contingencies	-	148,060
Total good and services	23,368,215	22,972,572

11. EMPLOYEE COSTS

	2019-2020	2018-2019
	KShs	KShs
Salaries and wages	10,040,747	7,366,451
Total Employee costs	10,040,747	8,440,087

12. REMUNERATION OF DIRECTORS

Description	2019-2020	2018-2019
	KShs	KShs
Other allowances	944,000	1,519,000
Total director emoluments	944,000	1,519,000

13. REPAIRS AND MAINTENANCE

Description	2019-2020	2018-2019
	KShs	KShs
Other	199,555	1,788,785
Total Repairs and Maintenance	199,555	1,788,785

14. DEPRECIATION

Description	2019-2020	2018-2019
	KShs	KShs
Property, plant and equipment	1,858,407	2,043,109
Total depreciation	1,858,407	2,043,109

15. LOCAL TRAVEL & TRANSPORT

Description	2019-2020	2018-2019
	KShs	KShs
Local Travel & Transport	348,780	-
Total	348,780	-

16. CASH AND CASH EQUIVALENTS

Description	2019-2020	2018-2019
	KShs	KShs
Current account	38,206,649	636,633
Cash on hand	22,000	292,600
Total cash and cash equivalents	38,228,649	929,233

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

Financial institution	Account number	2019-2020	2018-2019
		KShs	KShs
a) Current account			
Main KCB acc	1202645658	36,431,204	274,455
Operational Transnational	162985001	1,685,971	14,743
Development acc	1202643957	89,474	347,435
Sub- total			
b) Others(specify)			
cash in hand		22,000	292,600
Sub- total		22,000	292,600
Grand total		38,228,649	929,233

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2019-2020	2018-2019
	KShs	KShs
Receivables		
Receivables from Exchange Transactions		
Current receivables		
Student debtors		
	10,904,797	6,976,042
Receivable from NYS	-	10,594,054
Total current receivables from exchange	10,904,797	17,570,096

18. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Description	2019-2020	2018-2019
	KShs	KShs
Quarter 3/ quarter 4 capitation	4,965,000	3,500,000
Total receivables from Non-Exchange Transactions	4,965,000	3,500,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. PROPERTY, PLANT AND EQUIPMENT

Cost	Buildings	Land	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 30 th June 2018	47,000,000	23,500,000	-	2,178,875	761,000	3,910,000	-	77,349,875
Additions	5,684,982							5,684,982
At 30 th June 2019	52,684,982	23,500,000	-	2,178,875	761,000	3,910,000	-	83,034,857
Additions	-	-	-	-	-	-	6,794,461	6,794,461
At 30 th June 2020	52,684,982	23,500,000	-	2,178,875	761,000	3,910,000	6,794,461	89,829,318
Depreciation	1,053,700	-		272,359	228,300	488,750		2,043,109
At 30 th June 2019	1,053,700		-	272,359	228,300	488,750	-	2,043,109
Depreciation	1,032,626	-		238,315	159,810	427,656	-	1,858,407
At 30 th June 2020	2,086,326	-	-	510,674	388,110	916,406	-	3,901,516
Net book values								
At 30 th June 2020	50,598,656	23,500,000	-	1,668,201	372,890	2,993,594	6,794,461	85,927,802
At 30 th June 2019	51,631,282	23,500,000	-	1,906,516	532,700	3,421,250	-	80,991,748
At 30 th June 2018	47,000,000	23,500,000	-	2,178,875	761,000	3,910,000	-	77,349,875

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

20. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2019-2020	2018-2019
	KShs	KShs
Trade payables	3,607,470	4,103,417
Fees paid in advance	2,531,557	1,672,679
NYS prepaid fees	21,657,000	-
Total trade and other payables	27,796,027	5,776,096

21. REFUNDABLE DEPOSITS

Description	2019-2020	2018-2019
	KShs	KShs
Caution money	326,320	158,130
Total deposits	326,320	158,130

22. DEFERRED INCOME

Description	2019-2020	2018-2019
	KShs	KShs
National government	89,474	347,435
Total deferred income	89,474	347,435

23. CAPITAL GRANTS

Description	2019-2020	2018-2019
	KShs	KShs
Administration block donated by government	47,000,000	47,000,000
Land donated by Community	23,500,000	23,500,000
Transfer of depreciation from accumulated surplus	(1,861,200)	(940,000)
Total capital grants	68,638,800	69,560,000

24. ACCUMULATED SURPLUS

Description	2019-2020	2018-2019
	KShs	KShs
At start of year	27,149,416	9,007,653
Surplus for the year	15,105,011	17,201,763
Transfer of depreciation to capital grants	921,200	940,000
At end of year	43,175,627	27,149,416

25. CASH GENERATED FROM OPERATIONS

	2019-2020	2018-2019
	KShs	KShs
Surplus for the year	15,105,011	17,201,763
Adjusted for:		
Depreciation	1,858,407	2,043,109
Working Capital adjustments		
(Increase) in receivables	5,200,299	(20,141,686)
Decrease in payables	21,930,160	5,088,336
Net cash flow from operating activities	44,093,877	4,191,522

26. EVENTS AFTER THE REPORTING PERIOD

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

27. 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.

28. CURRENCY

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

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