

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

**KENYA NATIONAL
QUALIFICATIONS AUTHORITY**

**FOR THE YEAR ENDED
30 JUNE, 2022**

THE NATIONAL ASSEMBLY
PAPFDC LTD

DATE: 26 APR 2023

DAY: Wednesday

TABLED BY:

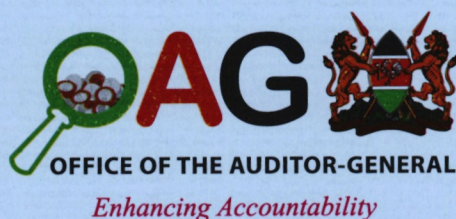
Hon. Naomi Wago
Deputy Majority Whip

CLERK-AT-THE-TABLE:

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REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON KENYA NATIONAL QUALIFICATIONS AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya National Qualifications Authority set out on pages 1 to 26, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes

in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with 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, the financial statements present fairly, in all material respects, the financial position of Kenya National Qualifications Authority as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Kenya National Qualification Authority Framework Act, 2014.

Basis for Opinion

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya National Qualifications Authority Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Irregular Payments of Allowances to Employees Deployed from the State Department

The statement of financial performance reflects an amount of Kshs.59,981,657 in respect of employee costs as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount Kshs.58,682,627 in respect of salaries and wages. This

includes an overpayment to eleven (11) staff deployed from State Department amounting to Kshs.1,497,818 compared to the Salaries and Remuneration rates.

In the circumstances, Management breached the SRC circular.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and 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 Council

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

In preparing the financial statements, Management is responsible for assessing the Authority'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 Authority 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 Council is responsible for overseeing the Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 controls 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 Authority'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 controls.
- 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 Authority's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Authority to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Authority 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 controls 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

31 March, 2023



KENYA NATIONAL QUALIFICATIONS AUTHORITY

Shaping the Future of Kenya

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

07 MAR 2023

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KENYA NATIONAL QUALIFICATIONS AUTHORITY

ANNUAL REPORT AND FINANCIAL STATEMENT

FOR THE YEAR ENDED

30 JUNE 2022

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

KENYA NATIONAL QUALIFICATIONS AUTHORITY
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For the year ended 30 June 2022.

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Kenya National Qualifications Authority was established under the Kenya National Qualifications Framework Act no 22 of 2014. The entity is domiciled in Kenya.

(b) Principal Activities

The principal mandate of Kenya National Qualifications Authority as set out in the Kenya National Qualifications Framework (KNQF) Act no. 22 of 2014 (and KNQF Regulations, 2018) is to coordinate and harmonize the various levels of education; and to create a database of all qualifications in the country

(c) Key Management

The Kenya National Qualifications Authority day-to-day management is under the following key organs:

- Council members;
- Director General/ CEO

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	DG/CEO	Dr. Juma Mukhwana
2.	Ag. Director Technical Services	Mr. Stanley Maindi
3.	Head of SAQA	Dr. Bulimo Anne Winnie
4.	Head of PROP	Dr. Alice Kande Gakio
5.	Head of Procurement	MS. Mary Thiiru
6.	Head of REV	Mr. James Onyango
7.	Head of Finance	Ms. Blandina Malimu
8.	Head RAD	Mr. James Tegeret

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(e) Fiduciary Oversight Arrangements

Council Committees;

- Planning, Research, Outreach and Policy (PROP)
- Human Resource, Administration and Finance (HRAF)
- Technical Committee (TC)
- Audit Risk and Compliance (ARC)

(f) Headquarters

NACOSTI Building, 4th Floor,
Off Waiyaki Way, Upper Kabete,
P.O Box 72635-00200, Nairobi, Kenya
Phone: +254-020-2100272
Email: knqa.go.ke@gmail.com

(g) Contacts

Telephone: (254) 721624977
E-mail: knqa.go.ke@gmail.com
Info@knqa.go.ke

(h) Bankers

Kenya Commercial Bank
Moi Avenue
Nairobi, Kenya

(i) Independent Auditors

Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(j) Principal Legal Adviser





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

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2. COUNCIL MEMBERS

 <p>1. CPA Rosemary Njogu Ag. Council Chairperson</p>	<p>Ms. Njogu is a council member representing Association of Professional Societies in East Africa (APSEA). She is a Certified Public Accountant-Kenya (CPAK), Fellow of (FICS) Certified Public Secretary-Kenya, Chartered Global Management Accountant (CGMA) and a Financial Analyst (FA). She is a member of Institute of Certified Investment and Financial Analysts (ICIFA) and Institute of Certified Secretaries (ICS). She is also a Chartered Management Accountant (CIMA-UK). She holds a Master’s degree in International Business Administration (MIBA) from the United States International University (USIU) and is a graduate from the University of Nairobi- Bachelor of Commerce (B. Com.) accounting Option degree</p>
<p>2. Ann Kaiga Member</p>	<p>Ms. Kaiga is Council member representing PS VTT.</p>
 <p>3. Isaac Gathirwa Member</p>	<p>Mr Gathirwa is a Council member representing the Commission for University Education (CUE). Mr Gathirwa is the chairperson of HRAF.</p> <p>He is currently serving as Head of Legal and enforcement department at CUE. Mr. Gathirwa is also pursuing LL. D at the University of Nairobi. He holds a master’s in law (LL.M) (UoN), Masters in Business Administration (Strategic Management option) (KU) and Bachelors in Law (LL. B) (Moi). He is a member of Law Society of Kenya and ICPSK</p>
 <p>4. Dr. Kipkirui Langat Member</p>	<p>Dr Langat is Council member representing the Technical and Vocational Education and Training Authority (TVETA). Dr Langat is the chairperson of PROP Committee. He serves as TVETA Director General. He holds Doctor of Philosophy in Engineering Systems and Management from Egerton University.</p>





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	<p>Master of Philosophy in Technology Education (Automotive Technology) and Master of Business Administration (Strategic Management) and Bachelor of Education in Technology Education all from Moi University.</p>
 <p>5. Dr. Mary W. Gaturu Member</p>	<p>Dr Gaturu, as Council member represents PS Early Learning and Basic Education. She is the Director, Quality Assurance and Standards at the Ministry of Education. She holds a PhD in Education Management and Administration of Kenyatta University, Masters of Education and Bachelors of Education from Kenyatta university. She has served as a Regional Director of Education in Rift Valley, County Director of Education in Murang'a and Nyandarua and District Education officer in a number of districts in the country.</p>
 <p>6. Hirji Shah, EBS OGW Member</p>	<p>Mr Shah is a council member representing the Federation of Kenya Employers (FKE). He is the Director of several Companies including; Juhudi Distributors Ltd; Karura Terrace Management Ltd; University of Nairobi Enterprises and Services Ltd; Centre for Corporate Governance; Terra Maalum Ltd, and Uganda Aluminium Ltd. Former Director of National Industrial Training Authority, Comcraft Kenya Ltd, Mabati Rolling Mills Ltd and Kaluworks Ltd. He is Chairman of Board of Trustees of FKE</p>
 <p>7. Dr. Damaris Muhika Member</p>	<p>Dr Muhika is a council member representing Central Organization of Trade Union (COTU). She is the chairperson of ARC committee. She holds a doctorate degree in Finance and Business Administration and a diploma in Industrial Relations. She is experienced in labour matters, currently serving as programs coordinator at Central Organization of Trade Union and a Trustee at National Social Security Fund.</p>
	<p>Eng. Ogenga is a council member representing the PS, Ministry of Labour. Eng. Ogenga is the chairperson of Technical Committee. He currently the Director General, National Industrial Training</p>

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<p>8. Eng. Stephen Ogenga Member</p>	<p>Authority (NITA). He holds a Master of Engineering Science (Comp. Eng.) degree from Queensland University of Technology and a Bachelor of Engineering Technology (E/E) from USQ, Australia. He is a Member-Institute of Electrical and Electronic Engineers (MIEEE).</p>
 <p>9. Isaiah Ochelle Odiwour Member</p>	<p>Mr Ochelle is a council member representing the PS National Treasury. He holds Master's Degree in Public Policy (MPP) from University of Erfurt, Germany and a Bachelor's Degree in Economics (Major) from the University of Nairobi.</p>
<p>10. Mr. Festus Marangu Member</p>	<p>Mr. Marangu is a council member representing the Inspectorate of State Corporations. He is currently serving as the Deputy Director Inspectorate of State Corporations (ISC).</p>
 <p>11. Dr Juma Mukhwana Council Secretary</p>	<p>Dr. Mukhwana is the Secretary to the Council. He was appointed as the first KNQA Director General and CEO in August 2018. He has worked both in the agriculture and higher education sectors locally and internationally. He has also served as Deputy Commission Secretary at the Commission for University Education (CUE). He holds PhD in Soil Science from the University of Wyoming in the USA. M.Sc. in Pharmacology and Toxicology (1995) and a Bachelor's degree in Veterinary Medicine (1993) both from the University of Nairobi.</p>

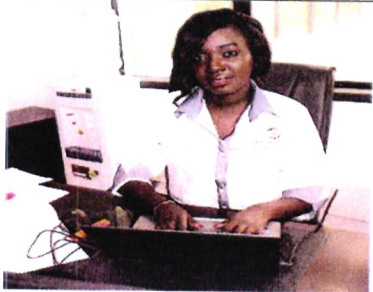


3. MANAGEMENT TEAM

 <p>1. Dr. Juma Mukhwana Director General/ CEO</p>	<p>Dr. Mukhwana is KNQA Director General. He is responsible for the leadership of the Authority and managing it within the authorities delegated by the Council. He was appointed to the position in August 2018. He has also served as Deputy Commission Secretary at the Commission for University Education (CUE). He holds PhD in Soil Science from the University of Wyoming in the USA. M.Sc. in Pharmacology and Toxicology (1995) and a Bachelor’s degree in Veterinary Medicine (1993) both from the University of Nairobi.</p>
 <p>2. Mr. Stanley Maindi Ag. Director Technical Services</p>	<p>Mr Maindi is currently serving as Deputy Director TVET- in charge of Planning, Research, Outreach and Policy. He is also a PhD student- at Jomo Kenyatta University of Agriculture and Technology. He holds Master of Business Administration degree from the University of Nairobi and a Bachelor’s Degree in Technology from Moi University.</p>
 <p>3. Dr. Winnie Bulimo Head of SAQA</p>	<p>Dr Bulimo is the Deputy Director Standards Assessment and Quality Assurance (SAQA). She holds Doctorate of Philosophy Degree in Educational Planning and Management from Masinde Muliro University of Science and Technology (MMUST) and a Masters in Educational Planning and Management.</p>
 <p>4. CPA Blandina Malimu HoD, Finance & Accounts</p>	<p>Ms Malimu is currently serving as Head of Finance. She holds a Bachelor of Commerce degree and is a Certified Public Accountant. She is a member of ICPAK and has worked in various Ministries.</p>

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 <p>5. Mary Waithira Thiiru HoD, Procurement & Supplies</p>	<p>Ms Thiiru is currently serving as Head of procurement. She holds a Diploma in Supplies Chain Management and advanced Certificate in Supplies management. She is a member of the Kenya Institute of Supplies Management</p>
 <p>6. Vincent Koech HoD, ICT</p>	<p>Vincent Koech is the Deputy Director Kenya National Learners Record Database (KNLRD) and also the Head of ICT at KNQA. He holds an MSc. in Computer from UoN and BSc. ICT from JKUAT. With over 15 years' experience in the field of ICT, his professional career development includes MCITP, CCNA, QMS, ISMS, M&E & ToT. He is a member of the Institution of Engineering & Technology and has taught at several Universities including JKUAT, TUK, MKU and Kisii University.</p>
 <p>7. Michael Muriuki Njogu Internal Auditor</p>	<p>Michael Muriuki is the Internal Auditor in the Internal Audit department with a major role in; Internal Controls, Risk management and corporate governance. His professional qualification includes Certified Public Accountant (CPA) and a Certified Fraud Examiner (CFE). He has a vast experience in finance, accounting, tax consultancy and auditing in various sectors. He is also a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Internal Auditors (IIA).</p>
 <p>8. Dr. Alice Kande Deputy Director, PROP</p>	<p>Dr. Alice Kande is the Deputy Director in charge of Planning, Research, Outreach and Policy at KNQA. She holds a doctorate degree in Business Administration (Strategic Management) from Jomo Kenyatta University of Agriculture and Technology, a Master's in Business Administration and Bachelor of Education both from Kenyatta University. Alice is a member of the Kenya Institute of Management and Academy of International Business – SSA Chapter. Prior to joining KNQA,</p>

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	<p>Alice was a Senior Research Officer at the Commission for University Education. She has also previously taught at Riara University School of Business and Jomo Kenyatta University of Agriculture and Technology.</p>
 <p>9. Sharon Muthoni Muthuri Legal Officer</p>	<p>Sharon Muthoni Muthuri is the Legal Officer in the Legal Affairs Department. She holds a Bachelor of Laws Degree. She is an advocate of the High Court. Sharon has a vast experience in Law having worked for several organizations including: – TVET CDACC- Legal Assistant, The Jubilee Insurance Company of Kenya Limited- Legal Assistant and Relationship Manager, The Court of Appeal of Kenya in Nairobi- Legal Researcher and The Office of the Attorney General- Pupil.</p>
 <p>10. Anne Rita Mwaniki HR&A Manager</p>	<p>Anne Rita Mwaniki is the Human Resource and Administration Manager at KNQA. She is a Seasoned Human Resource Practitioner with over twelve years of active experience. An Outstanding Performer in Talent Management within Private and Public sectors. Proven success in leadership, operational excellence and organizational development with keen understanding of elements in People and Culture Management. Recognized for inspiring management team members to excel and encouraging creative work environments. She is a member of Institute of Human Resource Management (IHRM), (2007) to date.</p>
 <p>11. James Tegeret Deputy Director, RAD</p>	<p>He holds a Bachelor Degree in Technology Education from Moi University. Currently serving as Deputy Director in charge of Registration accreditation and Documentation (RAD) Department at KNQA</p>

4. CHAIRPERSON'S STATEMENT



I am pleased to present the KNQA annual report and financial statement for the year ended 30 June, 2022. Over the last one year, the Authority has been working to align itself to the Ministry of Education's objectives of promoting equitable and accessible quality education; as well as the Government's Big four agenda.

In the execution of its mandate, the Council held several meetings with different stakeholders in the education sector in order to enable them understand our mandate; and how we can work together to have better and high-quality qualifications that meet national and international standards.

The enhanced collaborations with various stakeholders including development partners and industry have resulted in the development and implementation of various programmes in the Authority.

Council members also underwent a one-week training on corporate governance and an annual Council self-evaluation was conducted by State corporation advisory Committee (SCAC) during the period.

During the year under review, the Authority recorded a growth in revenue from the exchequer and internally generated funds.

However, given the scope of our work, there is need for more funding for the institution to achieve its objectives.

Finally, this report showcases the Authority's financial position during the period under review

Sign 

CPA Rosemary Njogu
Ag. Council Chairperson

5. REPORT OF THE DIRECTOR GENERAL /CEO



This Annual Financial report for the year ended 30th June, 2022 details the progress that the KNQA has made as well as the challenges faced in implementing its mandate.

The mandate of the Authority cuts across Basic, TVET and University sub-sectors. To achieve this, KNQA worked in collaboration and consultation with many stakeholders during the period under review. The Authority continued with implementation of its 2020-2025 Strategic Plan which was done through Annual Work Plans, rationalized budgets, Procurements Plans and Performance Contracting after approval by the Council.

The Authority has successfully implemented its first ever Performance Contract following the release of the 18th cycle PC Guidelines. Further, the Authority commenced implementation of Quality Management System in line with ISO 9001:2015 QMS requirements that will see the Authority become an ISO Certified institution.

A total of ten (10) national policies, Standards and Guidelines including; Policy Framework for Recognition of Prior Learning in Kenya (RPL), National Guidelines for Recognition of Prior Learning, Kenya Credit Transfer and Accumulation System (KCATs), Credit Accumulations and Transfer System for Agriculture, National Standards for Recognition of Prior Learning, National Standards and Guidelines for Assessing National Qualifications, National Policy for Developing Occupational Standards, National Policy on Curriculum Development, Policy on Accreditation/ Registration/ Recognition of Qualifications/QAIs, Professional Bodies, and Criteria for Recognition Equation and Verification (REV) of Qualifications.

In discharging its mandate of ensuring that full and part qualifications offered by local and foreign awarding bodies are in line with the KNQF Act no. 22 (2014), a total of 17 Qualifications Awarding Institutions (QAIs) and 1,268 Qualifications were registered in the Framework.

The Kenya National Records Learners Database (KNLRD) was developed, and registration of learners is on course. A total of 35 institutions were capacity built during the period. The Authority appreciates the goodwill and support from the Government and all its stakeholders, and commits to continue discharging its mandate in ensuring that the country's national qualifications system is globally competitive.

Sign..........

Dr. Juma Mukhwana, PhD,
Director General/CEO

KENYA NATIONAL QUALIFICATIONS AUTHORITY
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6. STATEMENT OF KNQA’s PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2021/2022

Kenya National Qualifications Authority intends to strategically focus on its core functions and operations as stipulated in the Vision, Mission, Motto and Core Values to realize its objectives. During the Strategic Plan 2020-2025, Kenya National Qualifications Authority has *five* strategic themes /issues and objectives within the current Strategic Plan for the Financial Year 2019/2020- Financial Year 2024/2025. These strategic pillars/ themes/ issues are as follows:

- Pillar /theme/issue 1: Registration, Accreditation and Documentation (RAD)
- Pillar /theme/issue 2: Standards, Assessment and Quality Assurance (SAQA)
- Pillar /theme/issue 3: Recognition, Equation and Verification (REV)
- Pillar /theme/issue 4: Planning, Research, Outreach and Policy (PROP)
- Pillar /theme/issue 5: Institutional Capacity Development (ICD)

KNQA develops its annual work plans based on the above 5 (*Five*) pillars/Themes/Issues. Assessment of the Council’s performance against its annual work plan is done on a quarterly basis. The *Authority* achieved its performance targets set for the FY 2021/2022 period for its five strategic pillars, as indicated in the diagram below:

Strategic Pillar/Theme/Issues	Achievements
Pillar/ theme/ issue 1: Registration, Accreditation and Documentation (RAD)	<ul style="list-style-type: none"> • Standards and Guidelines policy document on Accreditation of QAIs and Registration of Qualifications was approved. • 9 Institutions initiated accreditation process; out of which, 6 accredited and 3 institutions are underway; • A total of 95 Qualifications from accredited institutions were registered in KNQF; • 5 Institutions were capacity-built in order to review their curricula as per KNQF requirements.
Pillar/ theme/ issue 2: Standards, Assessment and Quality Assurance (SAQA)	<ul style="list-style-type: none"> • Progressed Implementation of Kenya Credit Accumulations Transfer System (KCATS) by: <ul style="list-style-type: none"> ✓ Benchmarking Qualification Awarding Institutions offering Agriculture qualifications through workshop. ✓ Guidelines and tools for implementing Credit Transfer and Transfer (CATS) applications were reviewed.

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	<ul style="list-style-type: none"> ✓ Credit Transfer and Transfer (CATS) implementation roadmap was developed • Developed M& E for assessing the Professional bodies.
<p>Pillar /theme/issue 3: Recognition, Equivalence and Verification (REV)</p>	<ul style="list-style-type: none"> • Developed partnership with the Office of the Auditor General (OAG); Ethics and Anti-Corruption Commission (EACC) • Aligned and validated qualifications for 2,314 applications to Kenya National Qualifications Framework. • Sensitized KMTTC, Dedan Kimathi University of Science and Technology, IGAD member states and Government of South Sudan on alignment and validation of qualifications
<p>Pillar /theme/issue 4: Planning, Research, Outreach and Policy (PROP)</p>	<ul style="list-style-type: none"> • Progressed Recognition of Prior Learning (RPL) implementation activities <ul style="list-style-type: none"> ✓ Trained 52 RPL Practitioners ✓ RPL Implementation plan was developed ✓ National Standards for RPL were validated ✓ Kenya National Federation of Juakali Association were capacity built on RPL ✓ Recognitions of Prior Learning Management Information System (RPL MIS) was developed. • Research and Innovation Policy was developed that will guide research activities in the Authority • Developed ISO Procedures based on gap analysis • Drafted Resource Mobilization Strategy that will guide resource mobilization to compliment Authority's budget.

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Pillar /theme/issue 5: Institutional Capacity Development (ICD)	<ul style="list-style-type: none">• KNQA Service delivery charter was developed.• Training Assessment need was conducted to inform upskilling of employees.• Finance Manual was developed and its implementation is on course.• Procurement plan was approved by the council.• ICT Equipment were purchased to support operations in the Authority.
---	---

Kenya National Qualifications Authority and its management posted a great performance against the strategic objectives of the organisation as indicated in the above chart.

7. CORPORATE GOVERNANCE STATEMENT

Corporate governance is the process by which organizations are directed, controlled and held to account. The Council of KNQA is responsible for the overall management and governance of the organization and is accountable to the stakeholders for ensuring that KNQA complies with the law and best international practices; in corporate governance as promulgated by relevant authorities.

The Council members are appointed in accordance with section 10 of the KNQF act; and comprises of 10 persons appointed by the cabinet secretary in the Ministry of Education. Council members represent various stakeholders in the council (in their individual capacity) and comprises of;

- (a) A chairperson appointed by the Cabinet Secretary;*
- (b) The Principal Secretary responsible for matters relating to education;*
- (c) The Principal Secretary responsible for matters relating to labour;*
- (d) The Principal Secretary responsible for matters relating to finance;*
- (e) Six persons appointed by the Cabinet Secretary as follows —*
 - (i) one person representing the Commission for University Education;*
 - (ii) one person representing the Technical and Vocational Education and Training Authority;*
 - (iii) one person representing the Education Standards and Quality Assurance Council;*
 - (iv) one person nominated by an organization representing professional associations in Kenya;*
 - (v) one person nominated by the Federation of Kenya Employers;*
 - (vi) one person nominated by an organization representing workers' unions; and*
 - (f) the Director-General who shall be the secretary.*

The full council meets at least 4 times in each calendar year at such a place and time as the chairman may from time to time determine. The council retains the responsibility for establishing and maintaining the institution's overall control of financial, operational, compliance and issues as well as implementing strategies for the long-term success of the organization.

The Functions of the KNQA is as set out below;

- (a) Co-ordinate and supervise the development of policies on national qualifications;*
- (b) Develop a framework for the development of an accreditation system on qualifications;*
- (c) Develop a system for assessment of national qualifications;*

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- (d) Develop and review interrelationships and linkages across national qualifications in consultation with stakeholders, relevant institutions and agencies;
- (e) Maintain a national database of national qualifications;
- (f) Publish manuals, codes and guidelines on national qualifications;
- (g) Advise and support any person, body or institution which is responsible for the award of national qualifications;
- (h) Publish an annual report on the status of national qualifications;
- (i) Set standards and benchmarks for qualifications and competencies including skills, knowledge, attitudes and values;
- (j) Define the levels of qualifications and competencies;
- (k) Provide for the recognition of attainment or competencies including skills, knowledge, attitudes and values;
- (l) Facilitate linkages, credit transfers and exemptions and a vertical and horizontal mobility at all levels to enable entry, re-entry and exit; and
- (m) Conduct research on equalization of qualifications;
- (n) Establish standards for harmonization and recognition of national and foreign qualifications;
- (o) build confidence in the national qualifications system that contributes to the national economy;
- (p) provide pathways that support the development and maintenance of flexible access to qualifications; (q) promote the recognition of national qualifications internationally; and (r) perform such other functions as may be provided under this Act.

8. MANAGEMENT DISCUSSION AND ANALYSIS

a. Appropriations in Aid Growth

Kenya National Qualifications Authority has recorded a growth in revenue from rendering of services in the past 4 years with a 375% growth in FY 2019/2020, a 34% growth in the FY2020/2021 and an 11% growth in AIA in FY2021/2022. This shows the increased awareness of the services offered by KNQA in the Registration, Equation and verification of Qualifications, the Registration and Accreditation of Qualifications and Qualifications Awarding Institutions and Standards, Assessment and Quality Assurance services. The Authority projects an increase in the A-I-A from the increased uptake of services offered by the Authority.



b. Statutory Compliance

KNQA has registered increased compliance with all with statutory requirements in relation to customer and suppliers. The Authority has registered compliance with all statutory deductions for employees in relation to Pay as You Earn (PAYE) tax, National Social Security Fund (NSSF), National Hospital Insurance Fund (NHIF), Pension Plans, Higher Education Loans Board (HELB). The Authority confirms that there are no material arrears in statutory and other financial obligations that pose major risks facing the organisation.

c. Enterprise Resource Planning Implementation

KNQA completed the procurement and installation of the Enterprise resource planning (ERP) refers to a type of software that organizations use to manage day-to-day business activities such as accounting, procurement, project management, risk management and compliance, and supply chain operations at a cost of 68Million.

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Kenya National Qualifications Authority 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 an outline of the organisation's policies and activities that promote sustainability.

1. Sustainability strategy and profile

- a) The Kenya National Qualifications Authority intends to sustain itself operationally and financially in the absence of governmental support by enhancing partnerships with International Organizations and local Non-Governmental Organizations (NGOs) who in turn act as donors and grantors in support of Authority's activities.
- b) The Authority is maximizing on the power and mandate bestowed upon other governmental agencies by creating strong intergovernmental agency partnerships to enhance the authority's capacity and fulfillment of its mandate.
- c) The KNQA is participating in the The African Continental Qualifications Framework (ACQF) which is a vital policy initiative of the African Union, aimed to enhance transparency and portability of qualifications of all sub-systems and levels of education and training, supporting complementarity with national and regional qualifications frameworks. This puts the Kenya Qualifications Framework on not only the regional but global map.
- d) The Authority has adopted a Partnership Policy which guides its relationship with its partners and donors.
- e) KNQA is increasing its Awareness, Advocacy and Publicity of KNQF by capacity building Qualification Awarding Institutions, Professional bodies, Quality Assurance bodies, Assessment and examination bodies to increase the uptake of the Authority's services. The KNQA has enhanced lobbying for increased Government capitation and is employing diversified resource mobilization strategies to supplement support by the Government.
- f) By enhancing its capacity to conduct adequate research and to acquire accurate data, KNQA intends to inform policies on the Kenya National Qualifications Framework (KNQF).

2. Environmental performance

- a) The Kenya National Qualifications Authority is employing austerity measures to curb unnecessary expenses by strictly adhering its Annual financial budget.
- b) The Authority is employing effective and efficient use of available resources through its regular practices.
- c) The KNQA regularly sensitizes its staff to utilize its available resources efficiently and effectively to reduce wastage of natural resources such as water.
- d) The Authority actively participates in enhancing biodiversity by organizing and participating in tree planting exercises within and beyond its geographical environment.
- e) The Authority has invested in durable and environmentally friendly assets such as furniture.

Successes in Environmental performance

- i) It is a common practice to only print if necessary and to maximize the use of space in printing papers by printing on both sides as opposed to one side only.
- ii) The Authority has adopted the use of reusable utensils to avoid the environmental impact that plastic utensils have on the environment.
- iii) Integration of technology in its practices by using online platforms to issue its services and in turn reducing paper wastage and the negative impact paper production has on the environment.

Shortcomings in Environmental performance

- i) The KNQA is hosted in another governmental agency facility therefore it is not entirely independent in how it manages its waste and shared resources.

3. Employee welfare

Policies on Hiring Process

The Kenya National Qualifications Authority's policy on recruitment is aligned to the Public Service Guidelines (2015) on Recruitment as well as to the provisions of the Constitution of Kenya (2010) under Article 11 on inclusivity and diversity. In the recent recruitment exercise, Management engaged the relevant stakeholders to the process; the Council, the Ministry of Education, the Head of Public Service and the Public seeking their participation at the various levels. There were deliberate efforts by Management to on-board eligible Kenyans from the minority groups taking into consideration the gender ratio.

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Efforts in improving Skills

The Authority has committed to improving the skills of the employees by undertaking training needs analysis that informs the training calendar. The Authority's Management has also set aside a vote on training in the annual Budget. The Authority has continuously undertaken the Target Setting exercise at the end of every evaluation period which informs the appraisals at the end of the planned period.

Compliance with OSHA (2007)

The Authority has ensured that the fire exits are clearly labelled. There's consistent supply of clean drinking water in all offices as well as separate clean washing facilities for both genders well labelled. All staff have been provided with adequate working space and facilities for sitting.

4. Market place practices:

Kenya national qualifications authority being a SAGA under ministry of education state department of vocational and technical training is guided by the public procurement and asset disposal act 2015 and the public procurement and asset disposal regulations of 2020, in carrying out procurement of goods works and services as prescribed.

(a) Efforts by the Organisation towards Responsible Completion Practices

While collusive or corrupt conducts may occur during any procurement procedures, the organisation is keen to see that the vice is avoided and due to the highly regulated nature of the public procurement as guided by the Act the organisation is able to run the day-to-day procurement activities with strategic approaches so as to address the threats by adhering to the rule and regulations as provided in the Act. The organisation also defends the integrity of the procurement process against negative and corrupt practises.

(b) Responsible Supply and Supplier Relationship

The organisation endeavours to a long-term relationship between the organisation and the suppliers to allow free flow of feed backs and ideas.

The organisation is keen to improve our relationship with suppliers by:

- i. Freely communicating with suppliers with outmost integrity
- ii. Understanding the suppliers
- iii. Having interactions with the suppliers on the best practises
- iv. Making sure there is honesty, trust and transparency at all times
- v. Making sure suppliers are paid in a timely manner so as to maintain a good working relationship
- vi. Make sure all suppliers engaged are treated in a fairly and in a just manner

(c) Responsible Marketing Advertisement

To maintain ethical marketing practises, the organisation when handling large amount tenders, we carry out advertisements of the same on the available Government portals to the public, organisations website and local dailies of country wide circulation.

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10. REPORT OF THE COUNCIL

The Council submits their report together with the audited financial statements for the year ended 30 June 2022, which show the state of Kenya National Qualifications Authority affairs.

i) Principal activities

The principal mandate of Kenya National Qualifications Authority as set out in the Kenya National Qualifications Framework (KNQF) Act no. 22 of 2014 (and KNQF Regulations, 2018) is to coordinate and harmonize the various levels of education; and to create a database of all qualifications in the country.

ii) Results

The results of the entity for the year ended 30 June, 2022, are set out on page 1.

iii) Council

The members of the Council who served during the year are shown on page v to vii. The council was appointed on 7th August 2020 to serve for a period of three years. During the year 2021-22, The Chairman, Dr. Kilemi Mwiria, PhD resigned and no new appointments were effected.

iv) Auditors

The Auditor General is responsible for the statutory audit of the Kenya National Qualifications Authority in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the entity for the year/period ended 30 June 2022 in accordance to section 23 of the Public Audit Act, 2015.

By Order of the Council

Date........

CPA Rosemary Njogu

Ag. Council Chairperson

11. STATEMENT OF COUNCILS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012, section 14 of the State Corporations Act requires the Council to prepare financial statement in respect of that KNQA, which give a true and fair view of the state of affairs of the entity at the end of the financial year/period and the operating results of the entity for that Quarter. The Council is required to ensure that the entity keeps proper accounting records which discloses with reasonable accuracy the financial position of the entity. The Council is responsible for safeguarding the assets of the entity.

The Council is responsible for the preparation and presentation of the entity's financial statement, which gives a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on 30 June 2022.

This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (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 entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Council accepts the responsibility for the entity's financial statement, which has 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 State Corporations Act). The Council is of the opinion that the entity's financial statement gives a true and fair view of the state of entity's transactions during the quarter ended 30th June 2022, and of the entity's financial position as at that date. The Council further confirms the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statement as well as the adequacy of the systems of internal financial control.


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Nothing has come to the attention of the Council to indicate that Kenya National Qualifications Authority 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 Authority's financial statements were approved by the Council on 29th July 2022 and signed on its behalf by:

Sign: 
CPA Rosemary Njogu
Ag. Council Chairperson

Sign: 
Dr. Juma Mukhwana
DG/CEO


12. REPORT OF THE INDEPENDENT AUDITOR FOR THE FINANCIAL STATEMENTS OF KENYA NATIONAL QUALIFICATIONS AUTHORITY


13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022


	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from other governments entities	6	270,000,000	160,000,000
Revenue from exchange transactions			
Rendering of services	7	31,425,182	28,198,946
Donors Funds	7b	4,798,760	-
Donations In Kind	7c	1,580,500	-
Total revenue		307,804,442	188,198,946
Expenses			
Use of goods and services	8	167,431,636	76,407,510
Employee costs	9	59,981,657	38,895,166
Remuneration of Council Members	10	12,237,673	9,637,239
Depreciation and amortization expense	11	24,466,945	19,983,613
Repairs and maintenance	12	6,952,905	2,160,084
Provision for Audit Fees	19	250,000	250,000
Finance costs	13	84,954	60,029
Total expenses		271,405,769	147,393,641
Net Surplus for the year		36,398,673	40,805,305

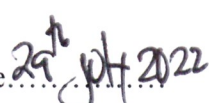
The notes set out on pages 7 to 31 form an integral part of these Financial Statements.

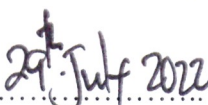
The Financial Statements set out on pages 1 to 6 were signed on behalf of the Council by:

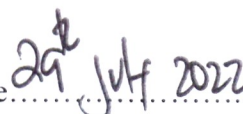
Sign. 
 Director General/C.E. O
 Dr. Juma Mukhwana

Sign. 
 Head of Accounts
 CPA Blandina Malimu
 ICPAK Member Number; 10762

Sign. 
 Chairperson of the Council
 CPA Rosemary Njogu

Date 
 Date.....29th July 2022

Date 
 Date.....29th July 2022

Date 
 Date.....29th July 2022

KENYA NATIONAL QUALIFICATIONS AUTHORITY
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14 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	14	11,677,062	11,329,077
Imprest	14b	-	515,800
Prepayments	15	8,000	12,688,448
Total Current Assets		11,685,062	24,533,325
Non-Current Assets			
Property, plant and equipment	16	90,633,115	72,704,378
Intangible assets	17	82,873,591	15,583,838
Total Non- Current Assets		173,506,706	88,288,216
Total Assets		185,191,768	112,821,541
Liabilities			
Current Liabilities			
Trade and other payables	18	41,912,439	6,190,885
Current Provision	19	500,000	250,000
Total Current Liabilities		42,412,439	6,440,885
Total Liabilities		42,412,439	6,440,885
Net assets			
Reserves			
Accumulated surplus		142,779,330	106,380,656
Total Net Assets and Liabilities		185,191,768	112,821,541

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

Sign. 

Director General/C.E. O

Dr. Juma Mukhwana

Sign. 

Head of Accounts

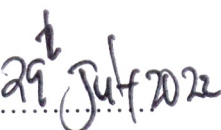
CPA Blandina Malimu

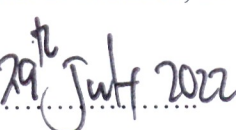
ICPAK Member Number; 10762

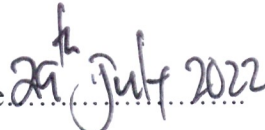
Sign. 

Chairperson of the Council

CPA Rosemary Njogu

Date  29th July 2022

Date  29th July 2022

Date  29th July 2022

KENYA NATIONAL QUALIFICATIONS AUTHORITY
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15 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

	notes	Retained earnings	Total
As at July 1, 2020		65,575,352	65,575,352
Surplus/ deficit for the year		40,805,305	40,805,305
As at June 30, 2021		106,380,657	106,380,657
As at July 1, 2021		106,380,657	106,380,657
Surplus/ deficit for the year		36,398,673	36,398,673
As at June 30, 2022		142,779,330	142,779,330

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16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

		Period ended 30th June 2022	Audited FY 2020-2021
	Notes	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other governments entities	6	270,000,000	160,000,000
Rendering of services	7	31,425,182	28,198,946
Donor Funds	7b	4,798,760	-
Total Receipts		306,223,942	188,198,946
Payments			
Use of goods and services	8	167,431,636	76,128,101
Employee costs	9	59,981,657	37,533,071
Remuneration of Council Members	10	12,237,673	9,637,239
Repairs and maintenance	12	6,952,905	2,160,084
Audit Fees	19	250,000	-
Finance costs	13	84,954	60,029
Total Payments		246,938,825	125,518,524
Surplus from/ (used in) operating activities		59,285,117	62,680,422
Increase in Payables & Other Payables	18	35,971,554	5,690,885
Increase/Decrease in Receivables & Debtors	15	12,680,448	(12,688,448)
Decrease in Imprest	14a	515,800	-
Net cash flows from/ (used in) operating activities		108,452,919	55,682,859
Cash flows from investing activities			
Purchase of property, plant, equipment	16	(37,096,874)	(43,070,422)
Purchase of Intangible assets	17	(71,008,061)	(16,872,180)
Net cash flows from/ (used in) investing activities		(108,104,935)	(59,942,602)
Cash flows from financing activities			
Proceeds from borrowings			-
Repayment of borrowings			-
Net cash flows from / (used in) financing activities			-
Net increase/(decrease) in cash and cash equivalents		347,984	(4,259,743)
Cash and cash equivalents at 1 July 2021	14	11,329,077	15,588,820
Cash and cash equivalents at 30th June 2022	14	11,677,061	11,329,077


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

Sign. .....

Director General/C.E. O

Dr. Juma Mukhwana

Sign. .....

Head of Accounts

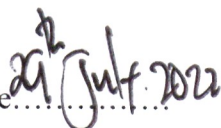
CPA Blandina Malimu

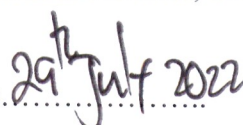
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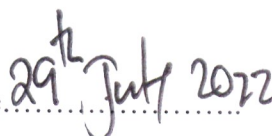
Sign. .....

Chairperson of the Council

CPA Rosemary Njogu

Date .....

Date .....

Date .....

17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Annual Original budget	Adjustments	Final Annual Budget	Actual Cumulative to Date	% of utilization
	Kshs	Kshs	Kshs	Kshs	
Revenue	a	B	c=(a+b)	d	e=d/c%
Transfers from other governments entities	270,000,000		270,000,000	270,000,000	100%
Rendering of services	20,000,000	15,000,000	35,000,000	31,425,182	90%
Donor Funds	-	-	-	4,798,760	
Donations in Kind	-	-	-	1,580,500	
Total income	290,000,000	15,000,000¹	305,000,000	307,804,442	101%
Expenses					
Use of goods and services	166,680,000		166,680,000	167,431,636	100.45%
Employee costs	60,000,000		60,000,000	59,981,657	99.97%
Remuneration of directors	12,200,000		12,200,000	12,237,673	100.31%
Depreciation and amortization expense	24,000,000		24,000,000	24,466,945	101.95%
Repairs and maintenance	6,900,000		6,900,000	6,952,905	100.77%
Provision of Audit Fees	250,000		250,000	250,000	100.00%
Bank Charges	100,000		100,000	84,954	84.95%
Total expenditure	270,130,000	0	270,130,000	271,405,769	100.47%
Surplus for the period	19,870,000	15,000,000	34,870,000	36,398,673	104.38%

Budget notes:

¹ The original AIA budget of 20Million was increased by 15 million following recommendations of the Council and the Authority surpassing the previous year FY2020-2021 target by 8Million

18. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Kenya National Qualifications Authority was established by and derives its authority and accountability from Kenya National Qualifications Framework Act of 2014. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity are registration and accreditation of institutions and their qualifications; and establishment and maintenance of the Kenya National qualifications framework (KNQF).

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the KNQF Act No. 22 of 2014, KNQF regulations 2018, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

a) The financial statement has been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statement in conformity with International Public Sector b) Accounting Standards (IPSAS) Accrual Basis allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the entity's accounting policies.

c) The financial statement has been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Kenya National Qualifications Authority.

d) The financial statement has been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS) Accrual Basis. The accounting policies adopted have been consistently applied to all the years presented.

e) The financial statement has been prepared for a period of one (1) year starting from 1st July 2021. This is in accordance to IPSAS 1 (69)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Adoption of New and Revised Standards

- i. New and amended standards and interpretations in issue effective in the year ended 30th June 2021.*

Standard	Impact
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <p>a) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. <i>The improvements of IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment will not have any impact to the financial statements for the FY 2020/2021</i></p> <p>b) 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. <i>The improvements of IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets will not have any impact to the financial statements for the FY 2020/2021</i></p> <p>c) 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. <i>The improvements of IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) will not have any significant impact to the financial statements for the FY 2020/2021</i></p>

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NOTES TO THE FINANCIAL STATEMENT (Continued)

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.

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

b) Budget information

The original budget for FY 2021-2022 was approved by the National Assembly on June 2021. 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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 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.

KNQA depreciates its assets on a reducing basis at the following rates;

- Furniture, fixtures fittings and equipment at 12.50% per annum.
- Computers and printers at 33.33% per annum
- Motor Vehicles at 25%
- Software/Intangible Assets at 20%

d) Leases

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Summary of Significant Accounting Policies (Continued)

e) Intangible assets

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

The useful life of the intangible assets is assessed as finite.

f) Inventories

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

g) Provisions

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

h) 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)

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 imprest 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, 2022.

5. Significant Judgments and Sources of Estimation Uncertainty

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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.

Significant Judgments and Sources of Estimation Uncertainty (Continued)

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:

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 19. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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NOTES TO THE FINANCIAL STATEMENT (Continued)

6. Transfers from Other Government Entities

Description	2021-2022	2020-2021
	Kshs	Kshs
Unconditional grants		
Operational grant	270,000,000	160,000,000
Other grants		
Total Unconditional Grants	270,000,000	160,000,000
Conditional grants		
Other organizational grants		-
Total government grants and subsidies	270,000,000	160,000,000

The transfers from government are to aid Kenya National Qualifications Authority to undertake its principal mandate as set out in the Kenya National Qualifications Framework (KNQF) Act no. 22 of 2014 (and KNQF Regulations, 2018) of coordinating and harmonizing the various levels of education; and to create a database of all qualifications in the country.

b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund.	Total transfers 2021/22	Prior year 2020/2021
			Kshs	Kshs	Kshs
Ministry of Education /State Department Vocational and Technical Training	270,000,000	-	-	270,000,000	160,000,000
Total	270,000,000	-	-	270,000,000	160,000,000

The details of the reconciliation have been included under appendix III)

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NOTES TO THE FINANCIAL STATEMENT (Continued)

7. RENDERING OF SERVICES

Description	Period ended June 30th 2022	Period ended June 30th 2021
	Kshs	Kshs
Service fees		
Total revenue from the rendering of services	31,425,182	28,198,946

Kenya National Qualifications Authority offers registration, equation and verification of qualifications as well as registration of Qualification awarding institutions at a fee.

7b. DONOR FUNDS

Description	Period ended June 30th 2022	Period ended June 30th 2021
	Kshs	Kshs
Donor Funds	4,798,760	
Total revenue from the rendering of services	4,798,760	-

Kenya National Qualifications Authority received a conditional Grant from the International Labour Organization in support of the RPL implementation. The funds were earmarked for the training of two Cohorts of RPL assessors.

7c. DONATIONS IN KIND

Description	Period ended June 30th 2022	Period ended June 30th 2021
	Kshs	Kshs
Donations In Kind	1,580,500	-
Total revenue from the rendering of services	1,580,500	-

Kenya National Qualifications Authority received a Donations in Kinds from the Young Africa Works in support of the RPL implementation. The donations in Kind were in form of Laptops

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Use of Goods and Services

Description	Period ended 30th June 2022	Period ended 30th June 2021
Internet Connections	5,131,356	1,546,574
Courier and Postal Services	196,609	295,604
Contracted Consultancy Services	12,552,615	3,920,000
Legal Fees and Arbitration	-	2,825,600
Publishing and Printing Services	37,069,034	6,242,960
Subscriptions to Newspaper Magazines and periodicals	-	2,105,000
Advertising Awareness and Publicity Campaign	5,333,714	2,788,280
Payment of Rents and Rates - Residential	12,110,400	7,536,375
Hospitality & Catering Services	8,784,824	4,218,937
Motor Vehicle Insurance	1,693,206	760,868
Supply and accessories for computers and printers	2,194,750	6,483,291
Medical Insurance	8,541,309	2,381,495
General office supplies	4,717,818	1,123,505
Sanitary and Cleaning Materials, Supplies and Services	4,365,790	3,198,778
Refined Fuels and Lubricants for Transport	2,045,146	1,300,000
Contracted Guards and Cleaning Services	2,201,284	358,773
Membership Fees, Dues and Subscriptions to Professional Bodies	224,657	370,520
Telecommunication	2,633,000	2,184,315
Staff Training & Development	2,544,736	130,000
Maintenance of Computers, Software, and Networks	1,718,400	2,315,258
Travel, accommodation, subsistence and other allowances	52,230,091	24,321,377
Remuneration of Resource Persons	1,143,000	-
Totals	167,431,636	76,407,510

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9. Employee Costs

	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	58,682,627	38,895,166
Team Building	1,299,030	-
Employee costs	59,981,657	38,895,166

10. Council Expenses

Description	2021-2022	2020-2021
	Kshs	Kshs
Chairman's Honoraria	680,000	935,000
Sitting allowances	5,820,000	5,640,000
Travel and accommodation	2,588,600	2,586,800
Other allowances	413,073	475,439
Corporate Training	2,736,000	-
Total	12,237,673	9,637,239

11. Depreciation and Amortization Expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	20,748,637	16,087,654
Intangible assets	3,718,308	3,895,959
Total depreciation and amortization	24,466,945	19,983,613

12. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance Expenses - Motor Vehicles	3,128,905	544,384.00
Maintenance of Office Furniture and Equipment	3,824,000	1,615,700
Total repairs and maintenance	6,952,905	2,160,084

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Finance Costs

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Charges and Commissions	84,954	60,029
Total finance costs	84,954	60,029

14. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current account	11,677,062	11,329,077
Others		-
Total cash and cash equivalents	11,677,062	11,329,077

14 (a) Detailed Analysis of the Cash and Cash Equivalents

Financial institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
a) Current account			
Kenya Commercial bank	1208626825	11,677,062	11,329,077
Sub- total		11,677,062	11,329,077
b) Others(specify)			
Un-surrendered imprest		-	515,800
Sub- total		-	515,800
Grand total		11,677,062	11,844,877

15. Prepayments

Description	2021-2022	2020-2021
	Kshs	Kshs
Staff Advances	8,000	
Motor Vehicle Purchase	-	12,688,448
Total Prepayments	8,000	12,688,448

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16. Property, Plant and Equipment

	Motor vehicles		Furniture and fittings		Computers & Office Equipment		Total	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Cost								
As at 30th June 2020		23,620,860		26,462,974		10,266,908		60,350,742
Additions during the Year		-		35,455,525		7,614,897		43,070,422
Disposals during the year		-		-		-		-
As at 30th June 2021		23,620,860		61,918,499		17,881,805		103,421,164
Additions during the period		12,688,448		17,702,976		8,285,950 ²		38,677,374
Disposals during the period		-		-		-		-
Transfer/adjustments		-		-		-		-
As at 30th June 2022		36,309,308		79,621,475		26,167,755		142,098,538
Depreciation and impairment								
As at 30th June 2020		5,905,215		4,179,587		4,544,330		14,629,132
Depreciation for the year		4,428,911		7,217,364		4,441,379		16,087,654
Impairment for the year		-		-		-		-
As at 30th June 2021		10,334,126		11,396,951		8,985,709		30,716,786
Depreciation for the period		6,493,795		8,528,066		5,726,776		20,748,637
Disposals for the period		-		-		-		-
Impairment for the period		-		-		-		-
As at 30th June 2022		16,827,922		19,925,017		14,712,485		51,465,423
Net book values								
As at 30th June 2022		19,481,386		59,696,459		11,455,270		90,633,115
As at 30th June 2021		13,286,734		50,521,548		8,896,096		72,704,378

² Included in the additions for the year are donations in kind of computers from Young Africa Works amounting to Kshs 1,580,500.

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NOTES TO THE FINANCIAL STATEMENT (Continued)

17. Intangible Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Cost		
At beginning of the year	19,479,797	2,607,617
Additions	3,007,701	16,872,180
At end of the year	22,487,498	19,479,797
Work In Progress		
Additions	68,000,360	
At end of the year	68,000,360	
Totals	90,487,858	19,479,797
Amortization and impairment		
At beginning of the year	3,895,959	3,895,959
Amortization	3,718,308	
At end of the year	7,614,267	3,895,959
NBV	82,873,591	15,583,838

18. Trade & Other Payables

Description	2021-2022	2020-2021
	Kshs	Kshs
Statutory Deductions	2,268,734	1,358,876
Advertising Awareness & Publicity	449,590	-
Contracted Services	5,282,026	-
Purchase of Software	20,400,108	-
Rent	9,082,800	3,027,600
Contracted guards and Cleaners	184,324	-
Hospitality & Conferences	902,300	-
Resource Persons	280,000	
Legal	-	1,525,000
DSA	2,604,110	
Withholding VAT	-	279,409
Internet	458,447	
Total trade & other payables	41,912,439	6,190,885

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19. Current Provisions

Description	Other provision	Total
	Kshs	Kshs
Balance b/d (1.07.2021)	250,000	250,000
Additional Provisions	250,000	250,000
Provision utilised		
Change due to discount and time value for money		
Transfers from non -current provisions		
Total provisions as at 30.6.2021	500,000.00	500,000

20. Cash Generated from Operations

	2021-2022	2020-2021
	Kshs	Kshs
Surplus for the period before tax	36,404,959	40,805,305
Adjusted for:		
Depreciation	24,466,945	19,983,613
Finance cost		
Working Capital adjustments		
Increase in receivables		
Increase in payables		
Net cash flow from operating activities	60,871,903	60,788,918

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NOTES TO THE FINANCIAL STATEMENT (Continued)

21. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks. The entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the council. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2022				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	8,000	8,000	-	-
Bank balances	12,730,923	12,730,923	-	-
Total	12,738,923	12,738,923	-	-
As at 30 June 2021				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	12,688,448	12,688,448	-	-
Bank balances	11,306,738	11,306,738	-	-
Total	23,995,186	23,995,186	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The council sets the entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Capital Risk Management

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

	2021-2022	2020-2021
	Kshs	Kshs
Revaluation reserve	-	-
Retained earnings	142,785,616	106,380,657
Capital reserve		
Total funds	142,785,616	106,380,657
Total borrowings	0	0
Less: cash and bank balances	12,730,923	11,329,077
Net debt/ (excess cash and cash equivalents)	0	0
Gearing	0%	0%

22. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the *entity*, holding 100% of the *entity's* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

Other related parties include:

- i) The Parent Ministry;
- ii) County Governments
- iii) Other SCs and SAGAs

Relates Party Disclosures

- iv) Key management;
- v) Council members;

	2021-2022	2020-2021
		Kshs
Transactions with related parties		
a) Sales to related parties		
Others (Specify) e.g., Interest and Bank charges		-
Total		-
b) Purchases from related parties		
Rent expenses paid to Gov. agencies	12,110,400	4,508,775.00
Training and conference fees paid to govt. agencies		-
Total	12,110,400	4,508,775.00
b) Grants /Transfers from the Government		
Grants from National Gov.	270,000,000	160,000,000
Total	270,000,000	160,000,000
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for employees		-
Payments for goods and services		-
Total		-
d) Key management compensation		
Councils' emoluments	12,237,673	9,637,239
Compensation to key management	14,009,091	14,009,091
Total	26,246,764	23,646,330

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NOTES TO THE FINANCIAL STATEMENT (Continued)

23. Events after the Reporting Period

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

24. 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.

25. Currency

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

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APPENDIX

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

Sign: 

Dr. Juma Mukhwana, PhD

Director General/C.E. O

Date: *29th July 2022*

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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

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

Project title	Project Number	GOK	Period/ duration	GOK commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Enterprise Resource Planning		68,000,360	2021/2022	68,000,360	NO	YES
TOTALS		68,000,360		68,000,360		


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APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME:		KENYA NATIONAL QUALIFICATIONS AUTHORITY		
Breakdown of Transfers from the State Department of Vocational and Technical Training				
FY 2021/2022				
a.	Recurrent Grants			
		Bank Statement Date	Amount (Kshs)	Indicate the FY to which the amounts relate
		3 rd September 2021	67,500,000	2021/2022
		29 th October 2021	67,500,000	2021/2022
		14 th February 2022	67,500,000	2021/2022
		28 th April 2022	67,500,000	2021/2022
		Total	270,000,000	

The above amounts have been communicated to and reconciled with the parent the state department of Vocational and Technical Training

Accountant
Kenya National Qualifications Authority

Sign  -----

Head of Accounting Unit
State Department of Vocational &
Technical Training

Sign-----

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APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received	Nature: Recurrent/Development/Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Education State Department of Vocational and Technical Training	3rd September 2021	Recurrent	67,500,000	67,500,000	-	-	-	-	67,500,000
Ministry of Education State Department of Vocational and Technical Training	29th October 2021	Recurrent	67,500,000	67,500,000	-	-	-	-	67,500,000
Ministry of Education State Department of Vocational and Technical Training	14th February 2022	Recurrent	67,500,000	67,500,000					67,500,000
Ministry of Education State Department of Vocational and Technical Training	28th April 2022	Recurrent	67,500,000	67,500,000					67,500,000
Total			270,000,000	270,000,000					270,000,000