

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS 1 A/D

DATE: 11 NOV 2021

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BY:

WHTP. WANGWE

OF
CLERK-AT
THE-TABLE:

J. AINONO

THE AUDITOR-GENERAL

ON

**EKERUBO GIETAI TECHNICAL
TRAINING INSTITUTE**

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

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EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE, 2019

Partially prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (I)

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Key Entity Information and Management**(a) Background information**

Ekerubo Gietai Technical Training Institute was registered on 22nd 12, 2015 by the Ministry of Education under TVET Act no 29 of 2013. It is one of the thirteen newly established Technical Institute in Kenya during the tenth parliament. The construction work of phase one of the Institute started in June 2012. This was completed in 2014. Before registration Keroka Technical Training Institute had been requested to mentor it. The institute is self-governing by the Board of Governors and directly funded by the Government. The posting of Principal was done on 20th Jan, 2015 taking over on 17th Feb, 2015 and on 23rd Feb, 2015 admission of the first students started. The Board of Governors was inaugurated on 27th April, 2015. The Institute is situated approximately 12km from Nyamira Town centre off Mokomoni- Nyaramba Road in Nyamira County. Poor road network, housing and understaffing are the major constraints towards the attainment of fully Technical training Institute. We are striving to ensure that the Institute is recognized nationally and internationally as a Centre for academic excellence with full support from the Government.

(b) Principal Activities

The mandate of the institute as provided by the Ministry of Education Science and Technology includes;

- a) To offer teaching/training in science and technology.
- b) To offer innovative discovery, transmission and preservation of knowledge.
- c) To carry research and entrepreneurial activities.
- d) To participate in commercial ventures and activities that promote the objectives of the institution
- e) To foster the general welfare of staff. Students and the community
- f) To develop and provide educational, cultural, professional, technical and vocational services to the community and in particular foster corporate social responsibility
- g) To promote social – economic development in line with the county's development agenda

VISION

To become a competitive world class institute in advancement of excellent Technical skills knowledge and innovations

MISISON

To provide holistic training that will enhance the trainees' competence, responsibility and creativity to meet the challenges of a dynamic society through efficient use of available resources

MOTTO

To understand the course of things to innovate new ways of doing them better "home of innovation"

CORE VALUES

Our operations are governed by a set of core values which constitute the desired organizational culture. The guiding core values that EGTTI and the stakeholders and partners shall hold in common and endeavor to put into practice while performing their functional obligations include the following:

- a) **Integrity** – Transparency, accountability and cost effectiveness
- b) **Professionalism** - scientific excellence, ethics and flexibility.
- c) **Teamwork** – Partnership for collaboration and advantage and synergies.
- d) **Efficiency** – Impact, performance and science orientation
- e) **Continual improvement**- effective knowledge and innovation management
- f) **Courtesy**- Respect for staff and diversity.
- g) **Confidentiality**- embraces the principle of confidentiality in service delivery.
- h) **Fidelity to law**- committed to respect the rule of law in all our undertakings.
- i) **Respect for individual differences**- Committed to providing education to all learners including those with disabilities/special needs.

(c) Key Management

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

- Board of Governors
- Accounting officer (Principal)
- Administration team
- Head of Departments

(d) Fiduciary Management

The key management personnel who were in office during the financial year 2018/2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	BOG Chairman	Eng. Zachary obura
2.	Principal	Mr. Geoffrey Andama
3.	Deputy Principal	Mr Albert Omariba
4.	Registrar	Mrs Joyce Omweri
5.	Dean Of Students	Mrs Mary Nyamori
6.	Head of Finance	Mrs Rebecca Mouti
7.	Head of Procurement	Mrs Sylvia Omambia
8.	Human Resource	Mr Evans Moriasi

Key Entity Information And Management (Continued)

(e) Entity Headquarter

Ekerubo Gietai Technical Training Institute
P.O. Box 382-40500
Tombe-Mokomoni Road
Nyamira, Kenya

(f) Entity Contacts

Telephone : (254) 0794 519 220
E-mail: ekerubogietaitti@gmail.com
Website: www.ekerubogietai.ac.ke

(g) Entity Bankers

1. Kenya Commercial Bank
P.o. Box 403-40500
Nyamira - Kenya

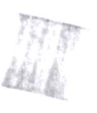
(h) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

I Key Entity Information And Management (Continued)

(i) Principal Legal Adviser

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



THE BOARD OF GOVERNORS

Insert each Director's passport-size photo and name, and key profession/academic qualifications	Provide a concise description of each Director's date of birth, key qualifications and work experience
 <p>Eng Zachary Bundi Obura</p>	<p>Date of birth 1958 Eng. Zachary Obura joined on 05/02/2018 as chairman of the Board of Governors. Holds a Higher National Diploma (Land and survey mapping) from Kenya polytechnic. He has over 30years of experience working as an engineer with Roads Authority. He has worked as a project Surveyor / Inspector for many construction roads in Kenya, he also worked as Regional Manager for Kisii Gucha and Nyamira Districts. Currently he is a retired Engineer but not tired.</p>
 <p>Mr. Samuel Menyanya Makori</p>	<p>Date of Birth 1974 He joined the college on 02/05/2018 as a 3rd signatory of Board of Governors. He holds Bachelor of Agriculture from JKUAT. He has 19 years of experience working as a Manager with Eastern Produce Co. As assistant manager, and currently working as a manager in KTDA Co. LTD in Kiambu County. He is very active in management function.</p>
 <p>Ms Lucy Wahito Wachi</p>	<p>Date of birth 1978 Joined the college on 05/02/2018 as a member of the Board of Governors. She holds Masters in Business Administration MBA-strategic Management from Kisii University. She has worked as a assistant business Loan Manager In Mwalimu National SACCO and acted as a FOSSA Branch Manager in the same SACCO. Currently she is a Banker.</p>



Eng. Kennedy Orango Buko

Date of birth 1963

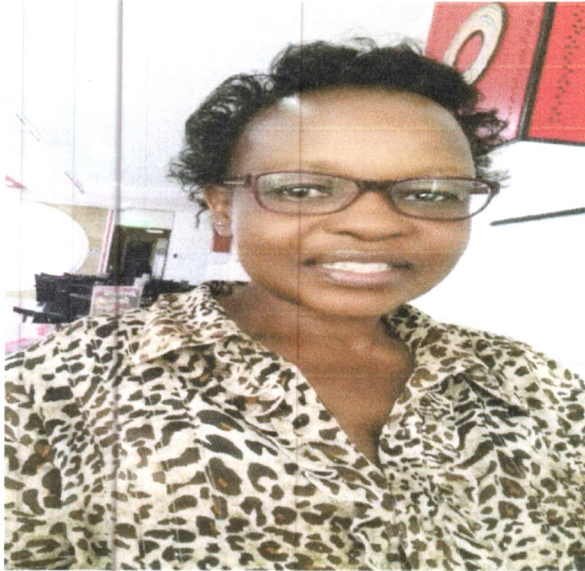
Joined the college on 05/02/2015 as a member of board of governors, Holds higher National diploma in Electrical and Electronic Engineering from Kenya polytechnic. He is a member of Association of medical Engineers of Kenya(AMEK) And Engineers Registration Board of Kenya (ERB). He has worked as a senior service engineer with Technomed LTD Co. Nairobi. Currently he is working with KEMRI CO. LTD in Kilifi County as a Building Service Engineer.



Mr. Franklin Kipyegon Tirop

Date of Birth 1979

He joined the college in 2015 as a member of the BOG when the first BOG was inaugurated. In the year 2018 he was re appointed as a member of the Board of Governors serving a second term. He holds a bachelor of commerce from the University of Nairobi, he also has a Diploma in IMIS from Strathmore College and CPAK. He has worked as a project manager and a deputy accountant at James Finlay K Ltd. Currently is working as finance executive at Sotik Tea Company Ltd and also as a financial controller in the same company.



Mrs. Phoebe Makungu

Date of birth 1971


She joined the college on 05/02/2018 as a member of Board of Governors. She holds Bachelor of Education from Kenyatta University and Diploma in HRM (post graduate) from Kenya Institute of Management. She has over 21 years of experience in public sector with various assignments. She has worked as assistant director HRM in the office of the president police department among others. Currently she is working as deputy director- HRM Policy, Recruitment, training an oversight in the ministry of Energy and petroleum. She has good inter personal skills, training techniques and communication skills.



Mr. Joash Ondieki Gisore

Date of birth 1961



He joined the college on 05/02/2018 as a member of Board of Governor representing the Governors' office. He holds Bachelor of Education (Special Education -Deaf) from Kenyatta University; he also trained as a P1 teacher from Kenya Institute of Special Education (KISE). He has over 31 years of experience working in the Ministry of Education Science and Technology State department of Education as assistant Director Quality Assurance and Standards Officer. Currently working in the office of the Governor Nyamira county as a political advisor.

	<p>Ms Mary Kerubo Ongaki</p>	<ul style="list-style-type: none"> - 45years - Degree - lawyer
	<p>Mrs. Mary Olivia Aluoch</p>	<ul style="list-style-type: none"> - 55 years - Degree - County Director TVET
	<div style="text-align: center;">  <p>Mr. Geoffrey Nyamweya Andama</p> </div>	<p>Date of birth 1970 Joined the college on 14/03/2019 as accounting officer/ Principal. He holds Bachelor of Education from Kenyatta University. He has 25 years of experience in TVET, He has worked as D/principal in Kisumu National Polytechnic, 3 years as principal in Siaya TTI and currently is the Accounting Officer/ Principal, as well as secretary to the BOG.</p>

(a) Board Committees

NAME OF THE COMMITTEE	MEMBERS	DESIGNATION
Executive Committee	<ol style="list-style-type: none"> 1. Eng. Zachary Bundi Obura 2. Ms. Lucy Wahito Wachira 3. Mr. Samuel Makori Menyanya 4. Ms. Mary Olivia Aluoch 	Chairperson Member Member CDTVET
Finance Committee	<ol style="list-style-type: none"> 1. Ms Lucy Wahito Wachira 2. Mr. Samuel Makori Menyanya 3. Mr. Franklin Tirop Kipyegon 	Chairperson Member Member
Project Management Committee	<ol style="list-style-type: none"> 1. Eng. Kennedy Buko 2. Ms Phoebe Makhungu 3. Mr. Samuel Makori Menyanya 	Chairperson Member Member
Academic Committee	<ol style="list-style-type: none"> 1. Mr. Franklin Tirop Kibyegon 2. Ms. Mary Kerubo Ongaki 3. Eng. Kennedy Buko 	Chairperson Member Member

(b) Administration staff

Name of the Staff	Responsibility
 <p data-bbox="327 795 667 831">Mr. Geoffrey N. Andama</p>	<p data-bbox="850 548 1102 584">Date of birth 1970</p> <p data-bbox="850 586 1477 801">He holds bachelor of Education from Kenyatta University. He has 25 years of experience in TVET; He has worked as D/principal in Kisumu National Polytechnic. Currently he is the Accounting Officer/ Principal, in charge of Management and Making decisions.</p>
 <p data-bbox="244 1664 507 1700">Mr. Albert Omariba</p>	<p data-bbox="850 1417 1102 1453">Date of birth 1969</p> <p data-bbox="850 1456 1497 1671">He holds a Bachelor of Education from Kenyatta University. He has experience of 25 years in TVET field. He has been working as HOD at Keroka Institute and now as a Deputy Principal in our college since 2015. He is in charge of Academics and Administration function.</p>



Mrs. Joyce Omweri

Date of birth 1965

She holds Bachelor of Education from Kenyatta University. She has been working at Kisii National Polytechnic as a Trainer/HOD since 1993. Currently she is the Registrar of the College, in charge of Admissions and Management of Exams.



Mrs. Mary Nyamori

Date of birth 1969

Mary Osindi holds Masters in business administration from Egerton University; she also has a diploma in HRM from Kenya Institute of Management (KIM) She has worked as a lecturer in Kisii University for 5 years, Currently she is the Dean of Students.



Mrs. Rebecca Kerubo

Date of birth 1986

Rebecca is a CPA finalist, currently undertaking BECOMS at Kisii University, she has experience in finance field of 9 years, and she has worked as the School Bursar for 7 years in Matongo boy's high school, and now the college Finance Officer since 2017. She is in charge of finance function.



Mr. Alfred Obungu Akora

Date of birth 1978

Alfred holds BECOMS from JKUAT, He is also a CPA finalist. He has experience of 14 years working as the school Bursar in Secondary Schools , as finance officer in TVET colleges, and now as Internal Auditor of the college. He is in charge of Internal Audit Function, in ensuring that Internal Control Systems are working as required.



Mr. Evans Moriasi Ngasora

Date of birth 1978

He holds Bachelor of Degree in General Science from Moi University. He also has Higher National Diploma in HRM from Eldoret Polytechnic. He has experience of two years in HRM function, Currently he is the Human Resource Officer of the college in charge of employees.



Mrs. Sylvia Omambia

Date of birth 1991

She holds a Diploma in Procurement from Kenya Institute of Management (KIM), she has experience of 3 years in Procurement Department. Currently she is the Procurement Officer of the college in charge of Procurement Function.

CHAIRMAN'S STATEMENT

It is with great honor that present the financial report of Ekerubo Gietai Technical Training Institute for the year ended 30th June 2019.

The mission of the college is to provide holistic training that will enhance the trainee's competence, responsibility and creativity to meet the challenges of a dynamic society through efficient use of available resources.

During the year the Accounting Officer / Principal who was the secretary to the Board of Governors Mr. Daniel Nyariki Onywoki was transferred on 14/03/2019 to Kisii National Polytechnic and was replaced by Mr. Geoffrey Nyamweya Andam a former Principal of Siaya Technical Training Institute.

I wish to appreciate the Government of Kenya and the organizations like Higher Education Loans Board (HELB) for the continuing support they are giving to our students in paying their fees. Many students in our college have difficulties in meeting the cost of education since the poverty level is high thus HELB and CDF bursaries have greatly assisted in ensuring our students pursue their courses successfully. I appeal for more support from private and non-governmental sectors.

The Board of Governors would like to appeal to the government to consider enhancing our capitation and Development Grants by remitting them in time to enable the college meet its financial obligations as budgeted.

The college faces challenges in completing the ongoing Library project which was approximated to be completed in 36 weeks upon quick funding from the Ministry. It is now 3 years still the project is under way, this is due to inadequate funding from the government. The college also wishes to put up other facilities for learning such as tuition block and workshops for practical but we are not able to meet this target, thus we are appealing for the government to consider increase in funding.

I thank our students, parents, guardians, and other stakeholders for choosing to invest in our institution and urge that together we shall strive to achieve higher levels of excellence in the near future.

Thank you.



Eng. Zachary Bundi Obura
BOG CHAIRMAN

REPORT OF THE PRINCIPAL

It is my great pleasure to present the Annual Report and Financial Statements for the year ended 30th June 2019 whose details are given below:

In the financial year 2018/2019 Ekerubo Gietai Technical Training Institute started with cash and cash equivalent of kshs.631,036 and received 15,120,000, from the Government of Kenya as capitation income, and kshs.3,856,915 as Development income. The college also managed to collect Kshs.18,950,427 as tuition and other charges. In total therefore, the college had kshs.38,588,378, at its disposal.

Since the college has inadequate teaching staff, the Board of Governors contracted 30 trainers to assist the college in handling trainees. Due to this shortage the college spent a total of kshs.10,431,355 on Personal Emolument, kshs.22,308,985 on goods and services expenditure and kshs.1,900,000 on ongoing Library Project.

The college conducted Environmental Impact Assessment (EIA) for the second time in collaboration with Kenya Forest; we planted Trees in the college and restored degraded sites as part of the Environmental Ecological Enhancement.

The enrolment of students has increased rapidly who demands for more lecture rooms for studies, our tuition block is not enough to accommodate them all, therefore I'm appealing to the government to start remitting phase two so that we can be able to put up more learning facilities.

Finally I express my gratitude to the Government of Kenya, The Board of Governors, Staff and Students and all stakeholders for supporting the college.

Thank you.

Mr. Geoffrey Nyamweya Andama
PRINCIPAL/ SECRETARY BOG



REPORTING

Provision of water

Kenya is classified as water stressed Country. Many people lack safe drinking water which is the cause of socio economic problem including starvation and diseases. The challenge is more prevalent in rural areas where women and children tarmac long distance daily in search of water which is sometimes not safe for drinking. Ekerubo Gietai TTI is dedicated to ensure provision of clean water to its community through piped water to various tapping points which ensure steady water supply to the community.

Provision of football field

The institute provides a playground not only to the college students but also to community for free of charge. We also provide the field to various schools to hold their events like athletics, ball games music, drama etc.

STATEMENT OF BOARD OF GOVERNORS' RESPONSIBILITIES

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

The Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the college; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

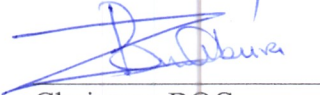
The Board members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and TVET Act) The council members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2019 and of the college's financial position as at that June 30th 2019. The council members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the 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 members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

Ekerubo Gietai Technical training Institute's financial statements were approved by the Board on 06/09/2019 and signed on its behalf by:

Name: Zachary Oburah



Chairman BOG

Name: Geoffrey Ardana

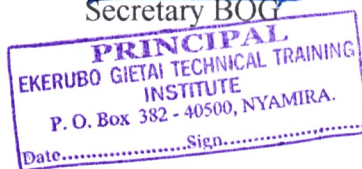


Secretary BOG

Name: Henry Wachira

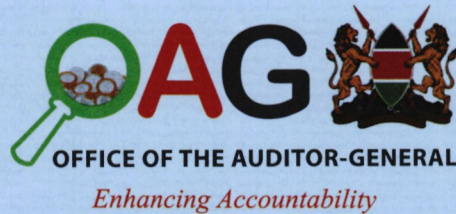


BOG Member



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 EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Ekerubo Gietai Technical Training Institute set out on pages 19 to 31, which comprise of the statement of financial position as at 30 June, 2019, 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, 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 the Ekerubo Gietai Technical Training Institute as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

The financial statements for the year ended 30 June, 2019 provided for audit review reflects the following anomalies:

- i. The statement of financial performance reflects Kshs.21,384,264 and Kshs.4,129,594 in respect to use of goods and services and general expenses, while a recasting of Note 4 and Note 6 to the financial statements reflects a total of Kshs.21,333,173 and Kshs.4,100,494 resulting to unexplained and unreconciled variances of Kshs.51,091 and Kshs.29,100.
- ii. The statement of financial position reflects accumulated capital fund of Kshs.537,951,221 while the statement of changes in net assets reflects an amount of Kshs.30,252,385 resulting to an unexplained and unreconciled variance of Kshs.507,698,836. Further, the re-casted total net assets balance for the year ended 30 June, 2018 totals to Kshs.550,807,474 and not

Kshs.577,690,478 as indicated resulting to an unexplained variance of Kshs.26,883,004.

- iii. The statement of cashflows for the year under review reflects rendering of services-fees, use of goods and services and other payments balances of Kshs.13,140,104, Kshs.18,128,300 and Kshs.4,113,494 respectively while Notes 2, 4 and 6 to the financial statements reflects balances of Kshs.21,136,000, Kshs.21,384,264 and Kshs.4,100,494, resulting to variances of Kshs.7,995,896, Kshs.3,255,964 and Kshs.13,000 which were not explained or reconciled.
- iv. Further, the statement of comparison of budget and actual amounts reflects a total of Kshs.31,268,404 in respect to three (3) items while the statement of financial performance reflects Kshs.48,330,587 in respect to the same items resulting to unexplained and unreconciled negative variance of Kshs.17,062,183 as shown below: -

Items	Note	Statement of Comparison of Budget and Actual Amounts (Kshs)	Statement of Financial Performance (Kshs)	Variance (Kshs)
Rendering of Services	2	13,140,104	21,136,000	(7,995,896)
Other Income	3	0	5,810,323	(5,810,323)
Use of Goods and Services	4	18,128,300	21,384,264	(3,255,964)
Total		31,268,404	48,330,587	(17,062,183)

Consequently, the accuracy of the statement of comparison of budget and actual amounts for the year under review could not be confirmed.

- v. The financial statements did not include a summary of significant accounting policies as stipulated by the Public Sector Accounting Standards Board (PSASB) reporting template.

In the circumstances, the accuracy of the financial statements for the year under review could not be ascertained.

2. Property, Plant and Equipment

The statement of financial position as at 30 June, 2019 reflects a balance of Kshs.548,564,460 in respect of property, plant and equipment as disclosed in Note 11 to the financial statements. However, no provision for depreciation was made against these non-current assets. In addition, the assets register was not provided for audit.

In the circumstances, the existence and valuation of the property, plant and equipment, and completeness and accuracy of the balance indicated above could not be ascertained.

3. Accumulated Capital Fund

The statement of financial position as at 30 June, 2019 reflects a balance of Kshs.537,951,221 against accumulated capital fund. No documentary evidence was provided in support of this balance.

As result, the validity and accuracy of the accumulated capital fund balance could not be ascertained.

4. Statement of Changes in Net Assets

The statement of changes in net assets for the year ended 30 June, 2019 reflects retained earnings instead of accumulated surplus of Kshs.17,214,769 despite the fact that the Institute is not a trading entity.

The statement of changes in net assets further reflects capital development grants/fund balance of Kshs.30,252,385 which however is not shown in the statement of financial position as at 30 June, 2019. No explanation was provided for the omission.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ekerubo Gientai Technical Training Institute 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 qualified 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.

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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 Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Stalled Construction of Library Block

As previously reported, a company was awarded a tender for construction of a library block at a contract sum of Kshs.48,919,382 and an agreement signed between the contractor and the Institute on 21 July, 2016. The contract period was thirty-six (36) weeks commencing on 4 August, 2016 and ending on 13 April, 2017.

Physical verification of the project done on 23 July, 2020 revealed the following anomalies:

- i. The contract period expired on 13 April, 2017 and a request for extension made on 9 July, 2019 which was granted on 30 October, 2019. The extended timelines were not met.
- ii. The certified works were at 52% at the time of physical verification, yet the contract duration had expired.
- iii. The Institute paid an amount of Ksh.1,900,000 to the Contractor after the contract duration had already expired.
- iv. Appendix to the conditions of the contract indicated that the liquidated damages are payable by the contractor to the Institute in case of delayed performance at Kshs.20,000 per day. No evidence of recovery of the liquidated damages occasioned by the delay on the side of the contractor was provided for audit review.

In the circumstances, the value for money and regularity of the expenditure which was incurred on the project could not be ascertained.

2. Failure to Deduct and Remit Taxes to Kenya Revenue Authority

The Institute made payments to various suppliers during the year under review and did not deduct and remit Value Added Tax (VAT) amounting to Kshs.5,569,380. Non-deduction and remittance of taxes to the Kenya Revenue Authority is a contravention of the laws of Kenya which may attract heavy penalties and interests if this fact becomes known to the Authority.

3. Board Expenses

The statement of financial performance reflects expenditure of Kshs.21,384,264 under use of goods and services. As disclosed in Note 4 to the financial statements, the expenditure includes an amount of Kshs.1,010,000 incurred on Board of Governors allowance which in turn include Kshs.225,000 paid to the Principal, Deputy Principal and a Director as allowances for attending Board meetings. This is contrary to the provisions of Section 10 of the State Corporation Act (Cap 446) which stipulates that only the Chairman and the Board members are entitled to sitting allowances and refund of transport expenses.

In the circumstances, the propriety of the expenditure of Kshs.225,000 could not be confirmed.

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 Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, based on the audit procedures performed, I confirm that, that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Board Charter

The Institute has not developed a Board Charter that defines the roles, responsibilities and functions in the governance of the organization. In the absence of the Board Charter, the organization may face challenges when dealing with emerging issues on governance.

2. Lack of Approved Staff Establishment and Human Resource Plan

The Institute lacks an approved staff establishment to support achievement of goals and objectives in the strategic plan. In the circumstances, the Institute may face challenges in determining its optimal staffing levels while recruiting new staff since the available positions are not properly identified and defined in the organizational structure.

3. Lack of Risk Management Policy

During the year under review, the Institute did not have a Risk Management Policy to ensure that all operations were performed within the approved risk tolerance levels. There was no documented disaster recovery plan to deal with loss of data or information in case of systems failures or to protect the IT infrastructure in the event of a disaster.

4. Internal Audit Function

The Institute did not present for audit review the internal audit governance documents including the Internal Audit Charter, Annual Audit Plan and Reports, it was therefore not possible to verify the effectiveness of the internal audit function. Consequently, the

Institute may be exposed to the risk of weak internal controls, inefficient accounting systems and inaccurate financial reporting.

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 those charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the College's ability to continue to sustain 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 liquidate the College or 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.

Those charged with governance are responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how the entity 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 going concern 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 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 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.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

25 October, 2021

I. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2018-2019	2017-2018
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government Capitation	1	15,120,000	17,000,000
Development			5,423,905
		15,120,000	22,423,905
Revenue from exchange transactions			
Rendering of services- Fees from students	2	21,136,000	8,804,720
Other income	3	5,810,323	2,205,995
Revenue from exchange transactions		26,946,323	11,010,715
Total revenue		42,066,323	33,434,620
Expenses			
Use of goods and services	4	21,384,264	16,079,506
Employee costs	5	10,498,446	7,586,855
General expenses	6	4,129,594	4,463,515
Total expenses		35,996,204	28,129,876
Other gains/(losses)			
Unrealized gain on fair value of investments		00	00
Impairment loss		(00)	(00)
Total other gains/(losses)		00	00
Net Surplus for the year		6,070,119	5,304,744
Attributable to:			
Surplus/(deficit) attributable to minority interest		00	00
Surplus attributable to owners of the controlling entity		00	00

The notes set out on pages 24 to 30 form an integral part of the Annual Financial Statements.

II. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

	Notes	2018-2019 Kshs	2017--2018 Kshs
Assets			
Current assets			
Cash and cash equivalents	7	2,113,873	631,036
Receivables from exchange transactions	8	7,995,896	2,240,060
Receivable from non exchange transactions	9	00	27,669,382
Inventories	10	1,030,680	3,000,000
		11,140,449	33,540,478
Non-current assets			
Property, plant and equipment	11	548,564,460	544,150,000
Total assets		559,704,909	577,690,478
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	12	4,538,919	1,352,730
Non-Current liabilities			
Accumulated surplus		17,214,769	5,304,744
Accumulated Capital Fund		537,951,221	544,150,000
Total net assets and liabilities		559,704,909	577,690,478

The Financial Statements set out on pages 19 to 23 were signed on behalf of the Institute Board of Governors by:

Mr. Zachary Obura
Chairman of Board of Governors


Mrs. Rebecca Kerubo
Finance Officer
 ICPAK No


Mr. Geoffrey Andama
Principal

Date..... 01-09-2020

Date..... 01-09-2020

Date..... 1/9/20

Signature..... 

Signature..... 

Signature..... 

PRINCIPAL
 EKERUBO GIETAI TECHNICAL TRAINING
 INSTITUTE
 P. O. Box 382 - 40500, NYAMIRA.
 Date..... Sign.....

III. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2019

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/Development Grants/Fund	Total
At July 1, 2017	00	00	6,223,951	20,971,920	27,195,871
Revaluation gain	00	-	-	-	00
Fair value adjustment on quoted investments	-	00	-	-	00
Total comprehensive income	-	-	4,920,699	-	4,920,699
Capital/Development grants received during the year	-	-	-	5,423,905	5,423,905
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	00	(00)	00
At June 30, 2018	00	00	11,144,650	26,395,470	37,540,120
At July 1, 2018	00	00	11,144,650	26,395,470	37,540,120
Revaluation gain	00	-	-	-	00
Fair value adjustment on quoted investments	-	00	-	-	00
Total comprehensive income	-	-	6,070,119	-	6,070,119
Capital/Development grants received during the year	-	-	-	3,856,915	3,856,915
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	00	(00)	00
At June 30, 2019	00	00	17,214,769	30,252,385	47,467,154

Note:

1. The opening balance for capital development grants, comprise of the total amount the government has sent to the college starting the year of July 2016 to June 2017 specifically meant for Library project which is ongoing.

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2019

IV. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

		2018-2019	2017-2018
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	1	15,120,000	22,423,905
Rendering of services- Fees from students	2	13,140,104	8,804,720
Other income, rentals and agency fees	3	5,810,323	2,205,995
Total Receipts		34,070,427	33,434,620
Payments			
Compensation of employees	5	10,498,446	7,586,855
Use of goods and services	4	18,128,300	16,079,506
Other payments	6	4,113,494	4,463,515
Grants and subsidies paid	6b	00	5,400,000
Total Payments		32,740,240	33,529,876
Net cash flows from operating activities		1,330,187	00
Cash flows from investing activities			
Purchase of property, plant, equipment (wip)		(1,900,000)	00
Inter borrowing to college fund a/c		(1,800,000)	
Net cash flows used in investing activities		1,900,000	00
Cash flows from financing activities			
Development project grant		3,856,915	
Net increase in cash and cash equivalents			
Cash and cash equivalents at 1 JULY	7	631,036	168,094
Cash and cash equivalents at 30 JUNE	7	2,113,874	631,036

Notes to the cash flow statement

1. Cash flow statement has been prepared using direct method (IPSAS 2)
2. Retention money of kshs. 2,100,000.00 is inclusive in cash and cash equivalent under development account however kshs. 1,800,000.00 were borrowed to college account which was refunded in August 2019

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2019

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference
	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers from other Govt entities Govt grants	24,000,000		24,000,000	15,120,000	(8,880,000)
Development Grant	27,219,382		27,219,382	3,856,915	(23,362,467)
Rendering of services- Fees from students	21,136,000		21,136,000	13,140,104	(7,995,896)
Sale of goods	00		00	00	00
Finance Income	00		00	00	00
Consultancy Income	00		00	00	00
Gains on disposal, rental income and agency fees	480,000		480,000	5,810,323	5,348,323
Total income	72,835,382		45	37,927,342	(34,908,040)
Expenses					
Compensation of employees	11,987,544		11,987,544	10,498,446	1,489,098
Use of Goods and services	26,468,456		26,468,456	18,128,300	8,340,156
Finance costs	00		00	00	00
Rent paid	00		00	00	00
Remuneration of directors	00		00	00	00
General expenses	7,160,000		7,160,000	4,129,594	3,030,406
Development(Library Project)	27,219,382		27,219,382	1,900,000	25,319,382
Total expenditure	72,835,382		72,835,382	34,640,340	38,195,042
Surplus for the period	00		00	3,287,002	3,287,002

Budget notes

1. The college did not receive the 3rd and 4th capitation grant within the fiscal year 2018/2019.

NOTES TO THE FINANCIAL STATEMENTS

GENERAL INFORMATION

Ekerubo Gieatai TTI is established by and derives its Authority and Accountability from TVET ACT. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is (refer part b of page 3)

1. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2018-2019	2017-2018
	KShs	KShs
Unconditional grants		
Operational grant	4,500,000	17,000,000
Capitation	10,620,000	00
	15,120,000	17,000,000
Conditional grants		
Library grant	00	00
Hostels grant	00	00
Administration block grant	00	00
Laboratory grant	00	00
Learning facilities grant	00	00
Development grant	00	5,423,905
Total government grants and subsidies	15,120,000	22,423,905

2. RENDERING OF SERVICES

Description	2018-2019	2017-2018
	KShs	KShs
Tuition Fees	4,538,210	2,647,750
Repairs Maintenance and Improvement	444,821	373,270
Personal Emoluments	3,108,606	1,718,200
Local Transport and Travelling	975,851	610,350
Electricity Water and Conservancy	666,700	652,250
Activity	830,315	845,750
Medical	223,556	00
Attachment/insurance	962,504	117,500
Practical	1,178,347	339,500
Catering	9,000	824,400
Administration	30,000	373,250
ICT	00	302,500
Fees Refund	172,194	00
Fees arrears	7,995,896	00
Total revenue from the rendering of services	21,136,000	8,804,720

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER INCOME

Description	2018-2019	2017-2018
	KShs	KShs
Student council	233,112	00
Admission Fees	266,500	94,500
Caution fees	281,259	00
Knec Registration Fees	2,068,337	1,354,740
Borrowing	300,000	00
Fees Recoveries	458,565	542,600
Student identity cards	104,600	38,200
Service Hired	259,250	00
Sale of water/goods	13,700	21,155
Part time fees	25,000	00
Inter borrowing development acc	1,800,000	00
Sale of Cows	00	40,000
Hiring of field	00	2,000
Gratuity money	00	57,800
Sale of tender forms	00	55,000
Total other income	5,810,323	2,205,995

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

Description	2018-2019	2017-2018
	KShs	KShs
Electricity water and conservancy	673,400	1,570,419
Bank Charges	38,503	31,387
Tuition/ Departmental	3,891,001	2,241,395
Repairs maintenance and improvement	86,280	00
Local Transport and travelling	2,433,416	3,357,424
Board of governance allowance	1,010,000	00
Activity	2,048,144	1,227,915
Medical services	38,200	00
Attachment / Insurance	126,180	46,810
Marketing	329,000	00
Catering	1,369,353	1,830,810
Administration costs	3,210,643	2,185,309
Farm	721,370	68,115
House Keeping	95,650	00
Text books	283,430	225,977
KATTI	00	949,750
Tuition	00	1,712,130
Student Ids	00	100,000
T vet fair	00	439,715
Fees refunds	00	92,350
practicals	1,773,730	00
Pending bills	3,204,873	00
Total good and services	21,384,264	16,079,506

5. EMPLOYEE COSTS

	2018-2019	2017-2018
	KShs	KShs
Salaries and wages	8,576,850	6,554,925
NSSF	1,227,634	787,380
NHIF	365,390	244,550
PAYE	123,572	00
Welfare	52,000	00
HELB	153,000	
Employee costs	10,498,446	7,586,855

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. GENERAL EXPENSES

Description	2018-2019	2017-2018
	KShs	KShs
Knec Registration	3,045,850	1,348,370
Service Hired	51,700	100,000
Borrowing	432,000	00
Fees Refund	217,294	00
Student Council	262,800	73,000
Student identity cards	89,850	00
Advertisement	00	1,384,600
Fuel and oil	00	8,500
Printing and stationery	00	360,605
ASPNET	00	744,215
Caution fees	1,000	00
Repairs Improvement and Maintenance	00	444,225
Training expenses	00	00
Other	00	00
Total general expenses	4,100,494	4,463,515

6b GRANTS AND SUBSIDIES PAID

Description	2018-2019	2017-2018
	KShs	KShs
Development WIP		5,400,000
Totals		5,400,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. CASH AND CASH EQUIVALENTS

Description	2018-2019	2017-2018
	KShs	KShs
Recurrent account	13,362	76,803
Fees account	1,873,608	479,980
Development Account	226,903	74,253
Total cash and cash equivalents	2,113,873	631,036

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

(a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Financial institution	Account number	2018-2019	2017-2018
		KShs	KShs
a) Recurrent account			
Kenya Commercial bank -bank		13,241	76,007
-cash		121	796
Sub- total		13,362	76,803
b) College Fees Account -bank			
Kenya Commercial bank-bank		1,873,256	478,447
-cash		352	1,533
Sub- total		1,873,608	479,980
c) Development account			
Kenya Commercial - bank		226,903	74,253
Sub- total		226,903	74,253
Grand total		2,113,873	631,036

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2018-2019	2017-2018
	KShs	KShs
Current receivables		
Student debtors	7,995,896	2,240,060
Total receivables	7,995,896	2,240,060

9. RECEIVABLES FROM NON EXCHANGE TRANSACTION

Description	2018-2019	2017-2018
	KShs	KShs
Current receivables		
Non exchange Transaction	00	27,669,382
Total receivables	00	27,669,382

10. INVENTORIES

Description	2018-2019	2017-2018
	KShs	KShs
Consumable stores	916,900	1500,000
Maintenance stores	00	00
Health Unit stores	00	00
Electrical stores	00	00
Cleaning materials stores	00	00
Catering stores	113,780	1,500,000
Total inventories at the lower of cost and net realizable value	1,030,680	3,000,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2019

11. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs
At 1 July 18	351,000,000	10,000,000	2,000,000	160,000,000	21,150,000	544,150,000
Additions	00	1,520,230	994,230	-	1,900,000	4,414,460
Disposals	(00)	-	-	-	(00)	(00)
Transfers/adjustments	00	00	(00)	-	00	(00)
At 30th June 2019	00	00	00	00	00	00
Additions	00	00	-	00	00	00
Disposals	(00)	-	-	-	(00)	(00)
Transfer/adjustments	(00)	00	(00)	-	00	(00)
At 30th June 2019	351,000,000	11,520,230	2,994,230	160,000,000	23,050,000	548,564,460
Depreciation and impairment						

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH
JUNE 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2018-2019	2017-2018
	KShs	KShs
Trade payables	2,126,348	00
Fees paid in advance	1,334,045	1,352,730
Employee advances	00	00
Third-party payments	00	00
Other payables	1,078,525	00
Total trade and other payables	4,538,918	1,352,730

13. EVENTS AFTER THE REPORTING PERIOD

The college received 3rd and 4th quarter capitation grant of ksh.10, 620,000.00 and Development grant of ksh. 3,856,915.00 from the Ministry of Education Vocational Technical Training on July 10th 2019 after the year end.

14. Currency

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

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH
JUNE 2019

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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

Chairman of the Board

Date.....

EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH
JUNE 2019

APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, ie total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Library	48,819,382	23,050,000	47%	27,669,382	1,900,000	MOEVTT
2							
3							

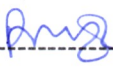
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2019

APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME:		Ekerubo Gietai Technical Training Institute		
Break down of Transfers from the State Department of TVET				
FY 2018/2019				
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate 2018/2019</u>
		05/10 2018	4,500,000	
		18/02 2019	10,620,000	
		10/07/ 2019	10,620,000	
		Total	25,740,000	
b.	Development Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate 2018/2019</u>
		08/10/2018	1,928,457	
		11 /03/ 2019	1,928,457	
		05/07/ 2019	3,856,915	
		Total	7,713,829	

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

Finance Manager
 Ekerubo Gietai TTI

Sign-----

Head of Accounting Unit
 Ekerubo Gietai TTI

Sign-----



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EKERUBO GIETAI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2019

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	Statement of Financial Performance	Capital Fund	Total Transfers during the Year
	as per bank statement					
Ministry of Education	10/07/2019	Recurrent	15,120,000	15,120,000	00	15,120,000
Ministry of Education	10/07/2019	Development	7,713,830	00	7,713,830	7,713,830
Total			22,833,830	15,120,000	7,713,830	22,833,830

