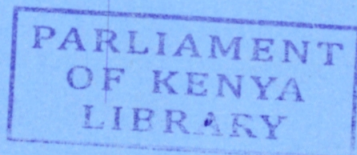


REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 29 JUL 2025	
DAY: Tuesday	
TABLED BY:	Hon. Owen Banya MP Deputy Leader of Majority Party
CLERK-AT THE-TABLE:	A. Shiluko

REPORT

OF

THE AUDITOR-GENERAL

ON

**KONOIN TECHNICAL
TRAINING INSTITUTE**

**FOR THE YEAR ENDED
30 JUNE, 2024**





**KONIN TECHNICAL TRAINING INSTITUTE ANNUAL REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH JUNE 2024**

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

KONON TECHNICAL TRAINING INSTITUTE- ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

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1. Acronyms & Glossary of Terms

BOG-Board of Governors

ICPAK-Institute of Certified Public Accountants of Kenya

IPSAS- International Public Sector Accounting Standards

PFM- Public Finance Management

PSASB-Public Sector Accounting Standards Board

TTI- Technical Training Institute

2. Key Konoin Technical Training Institute Information and Management

(A)Background information

The Konoin Technical Training Institute was incorporated/ established under the TVET Act on May 2016. The Institute is domiciled in Kenya, Bomet county, Konoin sub-county and has no branches. The Institute is a centre of excellence in Agricultural Value Addition.

(B)Principal Activities

The principal activity of the Konoin Technical Training Institute is to offer quality Technical, Vocational, Education and Training to students to acquire technical skills relevant to the main agenda of government.

Vision:

To be a centre of excellence in offering quality Technical, Vocational Education and Training.

Mission:

To provide Quality and Technical knowledge, skills and competences that promotes innovation and creativity.

Core Objectives:

- i) To extend technological solutions through research in appropriate and emerging technologies.
- ii) To promote technology through linkages with institutions, community and industries
- iii) To expand and harness use of ICT in service delivery and ICT integration.

(C)Key Management

The Konoin Technical Training Institute day-to-day management is under the following key organs.

- Board of Governors
- Principal (Accounting officer)
- Deputy Principal-Academics
- Deputy Principal-Administration
- Registrar
- Dean of students
- Finance Officer
- Procurement Officer

(D)Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Sabulei K Moses
2.	Deputy Principal-Administration	Joseah Keino
3.	Deputy Principal-Academics	Naomy Odira
4.	Registrar	Alfred Yegon
5.	Dean of Students	Charles Oiro
6.	Head of Finance	Kipkoech Kirui
7.	Head of Procurement	Naomy Chepngetich Ronoh

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(E)Fiduciary Oversight Arrangements

Name of the Committee

1. Finance/Technical Committee

Members

Anthony Kiplangat Bor
Vivian Osindi
Michael Ongonyi
Kipkoech Kirui
Sabulei Moses

2. Human Resource/Academic Committee

Caroline Chepngetich
Michael Ongonyi
Vivian Osindi
Sabulei K Moses

3. Audit Committee

Sambu Zeddy Cheronno
Benard Wafula Nalyanya
Sabulei K Moses

Key Konoin Technical Training Institute Information and Management (Continued)

(F) Konoin Technical Training Institute Headquarters

Konoin Technical Training Institute
P.O. Box 19-20403, Mogogosiek.
Technical Training Institute Building/House/Plaza
Koiwa Road, Bomet.

(G) Konoin Technical Training Institute Contacts

Telephone :(254) 725081344
E-mail: konointechnical@gmail.com
Website: www.konointti.ac.ke

(H)Konoin Technical Training Institute Bankers

Kenya Commercial Bank
Litein branch
P.O. Box 5 -20210, Litein, Bomet.

(i) Independent Auditors

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

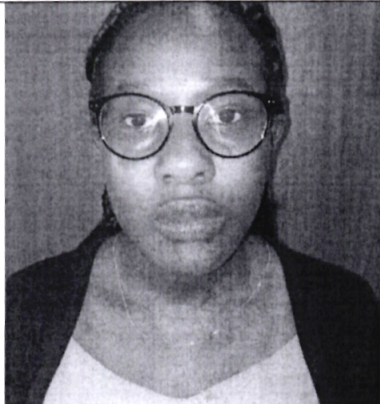
(j)Principal Legal Adviser

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

3.The of Board of Governors

 1.SAMMY KIPRONO KIRUI-BOARD CHAIR	B.A MBA DHRM DPSM MKIM GENERAL MANAGER, FORMER FINLAYS KENYA WORK EXPERIENCE- OVER 30 YRS
 2.SABULEI K MOSES	MASTER OF EDUCATION (CURRICULUM AND TEACHING) CHIEF PRINCIPAL-KONOIN TTI WORK EXPERIENCE-OVER 30 YRS
 3.ANTHONY KIPLANGAT BOR	PhD IN BUSINESS MANAGEMENT (FINANCE OPTION) ONGOING MBA (FINANCE OPTION) BACHELOR OF COMMERCE (ACCOUNTING OPTION) ACCOUNTANT KTDA WORK EXPERIENCE-OVER 30 YRS

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	BACHELOR OF SCIENCE (COMPUTER SCIENCE) INSTRUMENTATION AND CONTROL SUPERITENDENT-SONY SUGAR WORK EXPERIENCE-OVER 10 YRS
4.ONGOYI AJWANG MICHAEL	POST GRADUATE DIPLOMA IN LAW BACHELOR OF LAW M/S SANG &SANG ADVOCATES LLP, KERICHO WORK EXPERIENCE- OVER 5YRS
	BACHELOR OF TECHNOLOGY ELECTRICAL AND COMMUNICATIONS ENGINEERING ELECTRICAL ENGINEER KTDA WORK EXPERIENCE -OVER 30 YRS
5.CAROLINE CHEPNGETICH	BACHELOR OF TECHNOLOGY ELECTRICAL AND COMMUNICATIONS ENGINEERING ELECTRICAL ENGINEER KTDA WORK EXPERIENCE -OVER 30 YRS
	BACHELOR OF TECHNOLOGY ELECTRICAL AND COMMUNICATIONS ENGINEERING ELECTRICAL ENGINEER KTDA WORK EXPERIENCE -OVER 30 YRS
6.BENARD WAFULA NALYANYA	BACHELOR OF TECHNOLOGY ELECTRICAL AND COMMUNICATIONS ENGINEERING ELECTRICAL ENGINEER KTDA WORK EXPERIENCE -OVER 30 YRS

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	BA CHELOR OF SCIENCE (COMPUTER SCIENCE AND TECHNOLOGY DIRECT SALES REPRESENTATIVE & CREDIT-DEBIT COLLECTOR KCB NAIROBI WORK EXPERIENCE 10YRS
7.VIVIAN OSINDI	M.A DEVELOPMENT COMMUNICATION MBA (FINANCE OPTION) B.A COMMUNICATION AND MEDIA TECHNOLOGY WORK EXPERIENCE -OVER 10 YRS
	8.SAMBU ZEDDY CHERONOH

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4.Key Management Team

Name	Main Area of Responsibility
i. Sabulei K Moses 	Principal (Accounting Officer) MASTER OF EDUCATION (CURRICULUM AND TEACHING) CHIEF PRINCIPAL-KONON TTI WORK EXPERIENCE-OVER 30 YRS
ii. Joseah Keino 	Deputy Principal Administration Diploma in Building and Civic engineering
iii. Naomi Odira 	Deputy Principal Academics M. ED Educational psychology
iv. Alfred Yegon 	Registrar BSC. Information Technology

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v. Charles Oiro 	Dean Of Students BA Economics/Sociology PGD
vi. Kipkoech Kirui	Head of Finance Bachelor of Commerce (Finance option) Professional qualification: -CPA(K)
vii. Naomi Chepngetich Ronoh 	Head of Procurement Bachelor's Degree in Business Management (Purchasing and Supplies option) Professional Qualification

5.Chairman's Statement

I am pleased to report that Konoin Technical Training Institute (KTTI) has continued to perform well in returning exemplary examination results of the Kenya National Examinations Council (KNEC). I take this opportunity to share with you my views on the key initiatives and achievements we have had over the year on economic performance, Education sector changes, financial performance and operations and risks associated with the Institution, and our future outlook.

Economic Focus

In order to ensure efficient and effective provision of Technical Vocational Training, we have developed necessary policies and institutional framework to direct the running of the Institution in line with vision 2030, the BETA and Sustainable Development Goals.

In the past, the institute experienced tremendous growth in student enrolment but in the last two years the enrolment though growing has been unsteady due to the effects of Covid 19. As at the end of year 2023/2024, the Institute had 1501 students.

Review of the Sector and Changes

Though the year was faced with unusual challenge of Covid 19, the government capitation has continued to boost the growth in student enrolment due to reduction in fees payable to ensure affordable technical vocational training to every high school graduate who has not met the required threshold to join university education. This initiative of transition by the government has so far been successful, and the future looks quite bright indeed.

Risk Management

The technical training sector presents plenty of opportunities as well as risks, both of which need to be analysed in order to deliver sustainable long-term returns, without compromising training outcomes. KOTTI has developed an enterprise risk management policy and framework to ensure that our activities are aligned with our strategic plan objectives. The Board of Governors regularly reviews risks identified - such as competition, information & communications technology and credit and operations; and how the risks involved can be mitigated by various risk owners.

Operation and Management

In the spirit to excel, we endeavor to be a centre of Excellence in scientific, technological, training and innovation so as to produce competent graduates who are capable of integrating the acquired skills in nation building in line with Vision 2030 and the Big4 Agenda (i.e. food security, affordable housing, universal health and manufacturing).

Key Challenges

As mentioned above, in the last two years the education calendar has been affected by the outbreak of Covid 19 resulting to low rate of enrolment as well as crashing of programs. Again, complying with Ministry of Health Covid – 19 Protocols continue to limit the Institute realize its full potential in terms of revenue collection and coursing delays or postponement to meet the Ministry of Health Covid 19 Protocols

The Institute also has got no boarding facilities forcing students to seek accommodation outside the school facilities

I am indeed deeply indebted to the members of the Board of Governors for their unwavering support, commitment and futuristic outlook towards realising the institute's objectives in line with its strategic plan and core mandate of training market-driven technical manpower. Noteworthy is the Board's diverse qualifications and experience. I unreservedly assure all our Stakeholders we at KTTI, shall remain focussed, committed and consistent in the delivery of opportunities and accountably availing of resources to both trainers and trainees within the Government framework of accountability, corporate governance and ethical sustainability. Going forward Konoin Technical Training Institute is committed to working closely in collaboration with other like-minded entities, institutions, agencies and any other bi-lateral & multi-lateral agencies involved in technical and vocational training to ensure that our trainees continue to receive Competency Based Training.

Lastly, I would like to whole-heartedly thank my fellow members of the Board of Governors, Management, Trainers, Trainees – and all other stake-holders for their co-operation, collaboration, continued support and commitment during this period under review.



HILLARY WILFRED KIRUI
CHAIRPERSON OF THE GOVERNING BOARD

6. Report of the Principal

Konoin Technical Training institute is well placed to providing adequate and relevant training to her graduates that will enable them to contribute towards the attainment of our country's Vision 2030 strategic objectives. In furtherance of our mandate therefore, we have committed ourselves to consistently and regularly review, improve and consolidate our academic programs in several ways that will ensure their competitiveness in terms of quality and relevance

With the guidance of the Governing Board, we worked hard in setting up structures and policies aimed at guiding the institution in the right strategic direction. Under my leadership and the overall direction of the Institute's Board we were able also to be in the forefront in ensuring that financial resources were utilized efficiently and effectively for optimum output. Despite the many challenges brought about by economic constraints, the Institute nevertheless continued to discharge its mandate of training, research and outreach.

Konoin Technical Training Institute currently offers 48 programmes/courses accredited by Technical and Vocational Educational Training Authority. The Institute has been registered by Kenya National Examination Council as an examination Centre for both Business and Technical Examinations.

The Institute has partnered with the County Government of Bomet, NG-CDF Konoin Constituency, KUCCPS, HELB, Imarisha Sacco society ltd and we look forward to more partnerships in future.

The Institute has a potential to admit more students but this will be made possible only if the infrastructure is improved. We are in the process of constructing two Hostels with partnership from Finlays (K) Ltd and NG-CDF Konoin to accommodate about 300 students so as to assist students who are placed by KUCCPS.

Konoin Technical Training Institute has a very bright future in the TVET Sub-sector

- Our serious challenge is lack of adequate government trainers, enough classrooms and workshops.

HIGHLIGHTS OF FY 2023/2024 PERFORMANCE

The Financial Year 2023/2024 started on a high note with the Government keen to ensure TVET Institutions absorb as many Form 4 leavers as possible.

Previously, in a move to boost student enrolment the Government had introduced Capitation to the tune of Kshs. 30,000/= p.a to all joining and current students in all Technical Training Institutions.

Annual students fee nationally is capped at Kshs. 56,420/= upto September 2023 with the Government pledging the above Kshs. 30,000/= capitation, while encouraging the needy students to apply through HELB for the balance of Kshs. 26,420/= the government has introduced the new funding model capped at Kshs. 67,189/= funded through HELB, Scholarship and Household from September 2023.

During the year under review, the totals of government receipts were Kshs. 17,868,467. Income from rendering of services was in the tune of Kshs. 60,738,702 compared to Kshs.43,493,834 received during FY 2022/2023. The increase was due to increased receipts from HELB

Students Enrolment;

During the year 2023/2024, the enrolment was still affected by the effects of covid-19 but there was a slight increase from 1239 in 2022/2023 to 1501 in 2023/2024

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Activities Undertaken

During the Financial Year under review the institutions undertook the following activities:
Despite the financial constraints encountered the institute managed to clear the bus loan I have confidence that the trainees are well equipped with the necessary skills that strategically

aligns them with opportunities within the country, regionally and globally at the same time contributing to the realization of the Big 4 Agenda: Health, Manufacturing, Affordable Housing and Food security and BETA. On behalf of the Institute Board and Management, I take this opportunity to thank the Government for its unequivocal support during the year under review.

I also appreciate the financial, material and moral support of our collaborators, partners and friends during the year. It is because of the understanding and guidance of the Chairperson of the Board as well as the cooperation of the Management team, all staff and our students that we ended the year within an environment of peace and stability. I wish to register my sincere gratitude to them all

I look forward to their continued support in the new financial year and the years ahead.

PRINCIPAL

KONON TECHNICAL TRAINING INSTITUTE

P. O. Box 19 - 20403, MOGOGOSIEK

Date: 26/12/2024 Sign: 

MR. SIGEI WESLEY

CHIEF PRINCIPAL/SECRETARY TO THE BOARD OF GOVERNORS

7.Statement of Performance against Predetermined Objectives

Konoin Technical Training Institute has six strategic pillars and objectives within its Strategic Plan for the FY 2023/2024- 2027/2028. These strategic pillars are as follows:



Konoin Technical Training Institute develops its annual work plans based on the above six pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The institute achieved its performance targets set for the FY 2023/2024 period for its 1 strategic pillar, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance indicators	Activities	Achievements
Pillar 1. Access and Equity	Expand the physical infrastructure	Completion of agricultural value addition block	Construction of agricultural value addition block	To be started
	To reach and enrol more disadvantaged students.	Number of students admitted	Implementing a comprehensive marketing strategy	Increased number of students

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	Improve the uptake of Stem courses in KOTTI	Number of students taking STEM courses	Enrolling many students on STEM courses	Increased number of students taking STEM courses
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8. Corporate Governance Statement

Konoin Technical Training Institute is committed to good corporate governance, which promotes the long-term interests of the Government of Kenya and any other stakeholder; strengthens Board and management accountability and helps build public trust in the Institute. The Board is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education, science and technology to oversee their interest in the long-term health and the overall success of the business and its financial strength in order to discharge its mandate in training. The Board serves as the ultimate decision making body of the Institute, except for those matters reserved to or shared with the Government of Kenya. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Institute in line with the Technical, Vocational, Education & Training Act of 2013 and the constitution of the Republic of Kenya.

The Board have established Corporate Governance Guidelines which provide a framework for the effective governance of the Institute. The guidelines address matters such as the Governing Board's Vision and mission, overall strategy, members' responsibilities, Board committee structure, recommendation of the Chief Executive Officer, Over-sighting the performance and evaluation of management. The Board regularly reviews developments in corporate governance and updates the Corporate Governance Guidelines and other governance materials as it deems necessary and appropriate. The Institute's corporate governance materials, including the Corporate Governance Guidelines, the Institute's legal order, the terms and reference for each Board committee, the Institute's Codes of Business Conduct, information about how to report concerns about the Institute and the Institute's public policy engagement and technological contributions policy.

Attendance of board meetings

During FY 2023/2024, there was 99% eligible attendance at all meetings of the Board and Committees.

The following table shows the number of meetings held during 2023/2024, the attendance of each Member;

BOG MEMBER	FINANCE	HUMAN RESOURCE	AUDIT AND RISK	FULL BOARD	SPECIAL	FINANCE	HUMAN
NAME	DATE	DATE	DATE	DATE	DATE	DATE	DATE
	20/11/2023	15/02/2024	21/06/2024	14/06/2024			

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SAMMY KIPRONO KIRUI	PRESENT	PRESENT		PRESENT	PRESENT		
MOSES SABULEI	PRESENT	PRESENT		PRESENT	PRESENT		
MICHAEL ONGOYI			PRESENT				
ANTHONY KIPLANGA T BOR	PRESENT		PRESENT	PRESENT	PRESENT		
BENARD WAFULA NALYANYA			PRESENT	PRESENT			
ZEDDY CHERONO SAMBU	PRESENT			PRESENT	PRESENT		
VIVIAN OSINDI			PRESENT		PRESENT		
HANDSON GICHANA				PRESENT			
PETER CHERUIYOT				PRESENT			
ANNETH CHEPKORI R		PRESENT			PRESENT		

There were 1 full board meeting, 2 finance committee meetings, 1 special board meeting and 2 human resource committee and 1 audit and risk meeting held during the year.

1. No board charter exists at the moment.
2. Succession took place.
3. No board remuneration.

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

Time is allocated at all meetings to discuss any other business, which all Members are invited by implement actions to progress towards meeting the objectives of the Company. The Board Chairperson's primary role is to ensure the effective running of the Board and that the

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Board as a whole plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.

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

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

The Role and Functioning of the Board

The Board is comprised of a BOG Chairperson, Principal (Secretary to Board) and five board Members. The Members have a balance and depth of skills and experience, together with knowledge of the Institute's operations, which enables them to discharge their respective duties and responsibilities effectively. The Board is collectively responsible for the long-term success of the Institute. There is a formal schedule of matters reserved for consideration by the Board, which include responsibility for the following:

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

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

Board performance

Performance evaluations identify and record achievements, training requirements and areas for improvement in relation to annual objectives and performance of their respective roles, in order to consider effectiveness. Objectives for the forthcoming year are defined along with identification of how achievements will be met, target dates and details of resource constraints or issues to ensure that actions are planned and taken as a result of the evaluation process. We strive to provide the highest quality of training to our students by;

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

9. Management Discussion and Analysis

Konoin Technical Training Institute operational and financial performance

During the year ended June 2024, the Institution had 1501 students. The reduced government capitation was due to non-receipt of 4th Quarter capitation.

The Institution is experiencing tremendous growth and the management will have to vigorously pursue additional funding and technical support from the Government agencies and development partners. At the Institution level, activity-based costing method will be adopted both as a tool for activity planning and financial control. This will serve the role of ensuring that the Institution allocates resources based on planned and prioritized activity. This means that the cost of each activity will be traced to the product or service as per the Institution plan.

To further enhance service delivery through effective financial management, the Institute will concentrate on eliminating wastages.

In this regard, the Institution will lobby and mobilize financial resources for Technical Training, Innovation and Research on Technical fields from the following sources;

i. Government Funding

With regard to Government funding, the Institution will prepare, present and justify proposals as a basis for resource bidding within the Government's budgetary processes. In this regard, the Institution will coordinate with the MoE to ensure that the respective annual Sector Reports.

ii. Constituency Development Fund (CDF)

With regard to CDF, the Institution will prepare, present and justify proposals on development projects within the plan. The proposals will be presented to the Konoin CDF Development Committee for consideration.

iii. National Science Technology & Innovation Fund

The Institution through the Ministry of Education (MoE) will seek for funding from the Kenya National Science Technology and Innovation Fund on initiatives in the Institution that are ST&I based. This will be in line with the objective of the foundation which is to secure adequate local and international funding in support of national Science Technology & Innovation competitiveness in Kenya.

iv. Donors (Development Partners)

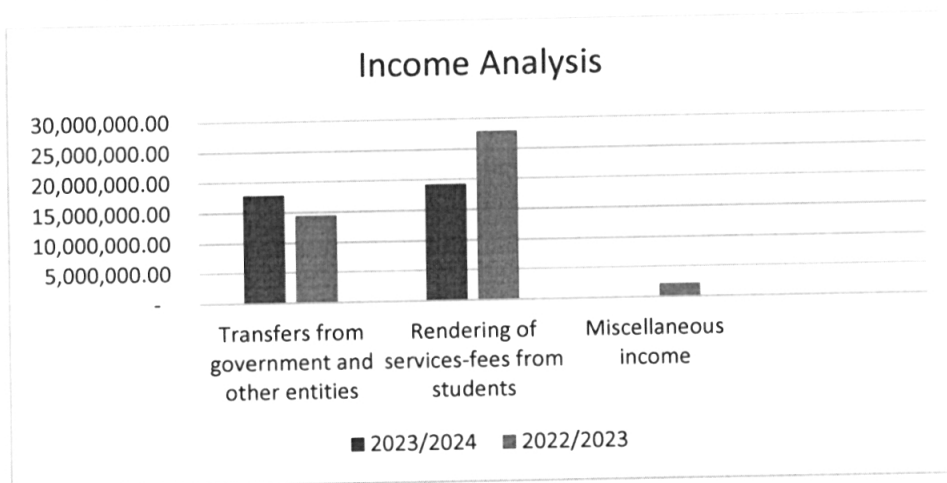
The Institute currently has a working relationship with development partners across the country and will continuously seek collaborations with like-minded institutions within and outside the country. The Institution as part of its national linkages will engage the support of development partners to fill in the resource gap between the resources allocated by the government through recurrent and development allocations as well as grants

v. County Government of Bomet

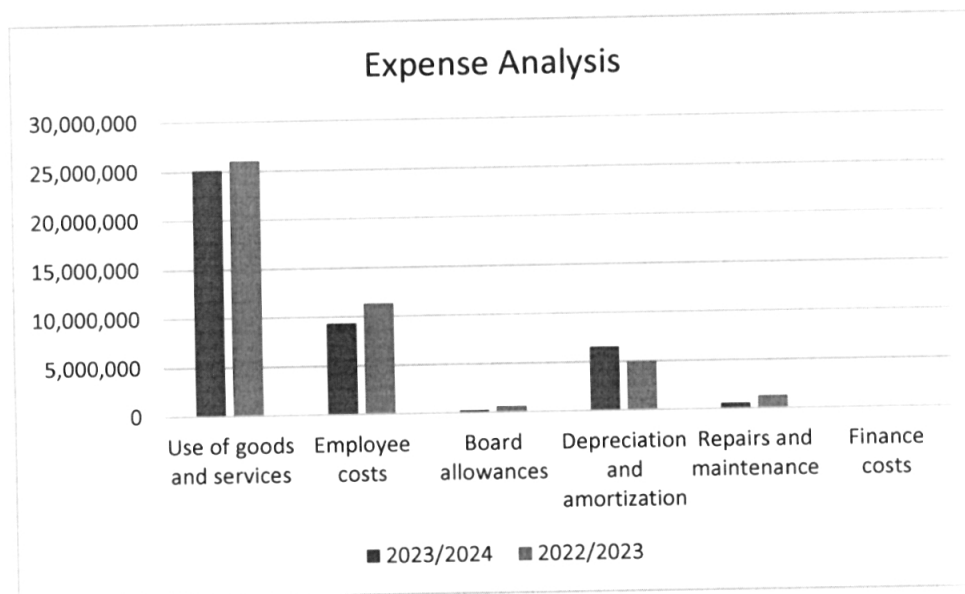
Konoin Technical Training Institute is within Bomet County. The institution can benefit from the County Government through County bursaries to students and also through partnerships and collaborations.

Below is analysis of revenues and expenses for year 2023/2024 and 2022/2023.

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Transfers from the government were more in 2023/2024 as compared to 2022/2023 due to increased number of students and though there is also non-receipt of 4th Quarter capitation. Incomes from rendering of services decreased due to decreased student debtors. The expense for the financial year 2023/2024 remained relatively constants compared to 2022/2023.



Konoin Technical Training Institute compliance with statutory requirements

Konoin Technical Training institute complies to deduction and remittance of statutory deductions such NHIF, NSSF and PAYE

Key projects and investment decisions

The Institution constructed the institution gate and completed fencing.

10. Corporate Social Responsibility / Community Engagements

Konoin Technical Training Institute exists to transform lives. This is our purpose; the driving force behind everything we do. It’s what guides us to deliver our strategy: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

Sustainability strategy and profile

The triple Bottom Line concepts analyses the sustainability of an organization based on three concepts: Profits, people (social) and Planet (environment).

Profit: The institute has adopted a transformation strategy aimed at ensuring that she remains financially sound in the face of dwindling funding from the central government. The institutions have expanded it capacity for internally generated income like production of sanitizers and masks.

Social: The institute has developed a succession management policy to address the welfare of employees in the future and ensure that the organization is sustainable in the future

Environment: The board of governance has plans to undertake an environmental sustainability audit and developed an environmental policy to address the issues of environmental sustainability that will be identified during the audit.

Employee welfare

At Konoin Technical Training Institute, we value our employees and our many stakeholders, including the wider community where the training of our students has the potential to bring positive social and environmental change. We value the contribution that individuals and external entities make to our Institute through community consultation process.

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

Activity	Description
Better training	Optimizing training operations to meet ongoing social and sustainability objectives. Providing opportunities for us to grow as Institute by becoming involved in our local community.
Enhanced community	Focusing on good urban design and empowered members for healthy, happy and resilient community
Supported Staff	Promoting initiatives that support staff and their families, beyond the provision of Employment Promoting initiatives that recognize the contribution of the students to the community

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a. Policies guiding hiring process

The following are the Konoin Technical Training Institute Board policies that guide hiring process;

S/No	Title	Review period	Remarks
1	Career Progression	Regularly	Vacant positions are filled competitively both internally and externally. This largely depends on availability of funds
2	Human Resource Manual	Regularly	Terms and conditions of service governing employees are applied across the board without discrimination
3	Internship Policy and guidelines	Regularly	Intern positions are filled competitively and without discrimination
4	Gender Mainstreaming	Regularly	Konoin Technical Training Institute observes equal employment opportunities during staff recruitment across all genders
5	Disability Mainstreaming	Regularly	The institute offers equal employment opportunities to officers living with disability The institute also offers rights and privileges as provided in the PWDs Act and Board employment policies

b. Market place practices- Responsible Supply Chain and Supplier relations

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

All procurement activities have continuously been carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.

The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs. Konoin Technical Training Institute has at all-time ensured responsible treatment of the suppliers in various ways as featured below:

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

KONON TECHNICAL TRAINING INSTITUTE- ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2024

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

c. Community Engagements

During the year under review, the institute carried out various CSR activities to impact the society. Such activities include tree planting, cleaning the environment and sponsoring vulnerable students amongst others

11. Report of the Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Konoin Technical Training Institute affairs.

Principal activities

The principal activity of the Konoin Technical Training Institute is to offer quality Technical, Vocational, Education and Training to students to acquire technical skills relevant to the main agenda of government.

Results

The results of the entity for the year ended June 30 2024 are set out on page 3 to 36.

Board of Governors

The members of the Board who served during the year are shown on page v-vii.

Auditors

The Auditor General is responsible for the statutory audit of the Konoin Technical Training Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015



By Order of the Board

Mr.Sigei Wesley

Secretary of the Board

Nairobi

Date:

12. Statement of Board of Governors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and the TVET Act No. 29 of 2013 require the Board of Governors to prepare financial statements which give a true and fair view of the state of affairs of the Konoin Technical Training Institute at the end of the financial year 2023/2024 and the operating results of the Konoin Technical Training Institute for FY 2023/2024. The Board of Governors are also required to ensure that the Konoin Technical Training Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Konoin Technical Training Institute. The Board of Governors are also responsible for safeguarding the assets of the Konoin Technical Training Institute

The Board of Governors are responsible for the preparation and presentation of the Konoin Technical Training Institute financial statements, which give a true and fair view of the state of affairs of the Konoin Technical Training Institute for the financial year ended June 30, 2024. 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 Konoin TTI;
- (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 Konoin TTI;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances

The Board of Governors accept responsibility for the Konoin Technical Training Institute financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act No. 29 of 2013. The Board of Governors are of the opinion that the Konoin Technical Training Institute financial statements give a true and fair view of the state of Konoin Technical Training Institute transactions during the financial year ended June 30, 2024, and of the Konoin Technical Training Institute financial position as at that date. The Board of Governors further confirm the completeness of the accounting records maintained for the Konoin Technical Training Institute, which have been relied upon in the preparation of the Konoin Technical Training Institute financial statements as well as the adequacy of the systems of internal financial control.

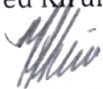
Nothing has come to the attention of the Board of Governors to indicate that Konoin Technical Training Institute will not remain a going concern for at least the next twelve months from the date of this statement.

KONON TECHNICAL TRAINING INSTITUTE- ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2024

Approval of the financial statements

The Konoin Technical Training Institute financial statements were approved by the Board on
date 23/05/2024 and signed on its behalf by:

Hillary Wilfred Kirui


Chairperson of the Board

Date:

23/05/2024

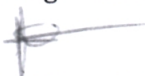
Kipkoech Kirui


ICPAK No.11389
Finance Officer

Date:

23/05/2024

Mr. Sigei Wesley

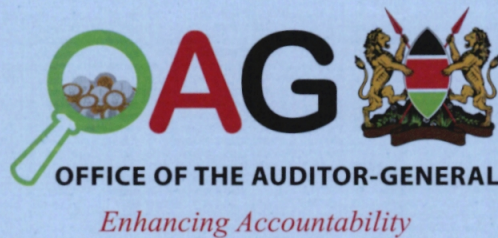

Chief Principal

Date:

23/05/2024

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 KONOIN TECHNICAL TRAINING INSTITUTE OR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on 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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

Qualified Opinion

I have audited the accompanying financial statements of Konoin Technical Training Institute set out on pages 1 to 33, which comprise the statement of financial position as

Report of the Auditor-General on Konoin Technical Training Institute for the year ended 30 June, 2024

at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Konoin Technical Training Institute as at 30 June, 2024 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 Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Depreciation and Amortization expense

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects depreciation and amortization expense of Kshs 6,475,877. However, the fixed assets Register was not updated and there were no approved policies on depreciation and amortization.

In the circumstances, the accuracy and completeness of the depreciation and amortization expense of Kshs.6,475,877 could not be confirmed.

2. Omission of Insurance Expenditure

The statement of financial performance reflects use of goods and services amount of Kshs.46,892,152, which includes Nil insurance costs as disclosed in Note 3 to the financial statements. However, review of supporting documents and payment vouchers revealed that an expenditure of Kshs.483,977 was incurred on insurance costs resulting to an understatement of the use of goods and services amount by Kshs.483,977.

In the circumstance, the accuracy and completeness of the use of goods and services of Kshs. 46,892,152 could not be confirmed.

3. Unconfirmed Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.3,013,265 which includes Kshs.114,690, being cash on hand as disclosed in Note 8 to the financial statements. However, management did not provide cash book and board of survey report to support the balance of kshs.114,690.

In addition, the balance of Kshs.3,013,265, includes tuition bank account balance of Kshs.1,944,166 as disclosed in Note 8b to the financial statements. However, the bank

reconciliation statements show a cashbook balance of Kshs.2,898,575, which has also not been supported by the cashbook.

Further, the statement of cash flows reflects cash and cash equivalents closing balance of Kshs.3,013,265, while the recomputed balance is a credit balance of Kshs.8,378,141 resulting to a variance of Kshs.11,636,900. The balance of Kshs.8,378,141 also differs with the balance of Kshs.3,013,265 reflected in the statement of financial position.

In the circumstance, the accuracy and completeness of cash and cash equivalents balance of Kshs. 3,013,265 could not be confirmed.

4. Unsupported Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 9 to the financial statements reflects current portion of receivable from exchange transactions balance of Kshs.26,526,029, which relates to fee arrears. However, the student debtors' schedule show total arrears of Kshs.41,858,702, resulting in an unexplained variance of Kshs.15,332,673.

Further, the management did not provide an ageing analysis to indicate the status of outstanding fees and the length of time they have remained overdue.

In addition, the management has not disclosed the mechanisms developed and being implemented to recover the long-outstanding debts.

In the circumstance, the accuracy and completeness of current portion of receivable from exchange transactions balance of Kshs.26,526,029 could not be confirmed.

5. Unsupported Property, Plant and Equipment

The statement of financial position reflects property, plant, and equipment balance of Kshs.138,489,267. However, asset Register showing costs, additions during the year, accumulated depreciation, depreciation charge for the year, and net book values was not provided for audit review.

Further, donations in form of land, plant and equipment, ICT equipment, and furniture and fittings were omitted from the balance of Kshs.138,489,267.

In addition, the Institute parcel of land valued at Kshs.5,000,000 did not have the original title deed.

The motor vehicle records show two motor vehicles which have not been transferred to the Institute.

Note 10 to the financial statements has not been prepared as per the prescribed format by the Public Sector Accounting Standard Board and computation of net book value of Kshs.138,489,267 as at 30 June, 2024 is incorrect. The schedule has errors and its not clear how the balance was arrived at. Hence the financial statement balance is not supported by a note to the financial statements.

In the circumstances, the accuracy and completeness of the property, plant, and equipment balance of Kshs.138,489,267 could not be confirmed.

6. Unsupported Trade and Other Payables from Exchange Transactions

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs 11,658,369. However, the supporting schedules, supplier movement schedules, trade payables ledger, purchase orders, supplier invoices, delivery notes and stores records were not provided for audit review.

Further, included in trade and other payables from exchange transactions balance of Kshs.11,658,369, is Kshs.929,733, being pre-paid fees as disclosed in Note 12 to the financial statements. However, the students' billings records reflect prepaid fees balance of Kshs.12,897,596, resulting to unreconciled variance of Kshs.11,967,863.

In the circumstances, the accuracy and completeness of the trade and other payables from exchange transactions balance of Kshs 11,658,369 could not be confirmed.

7. Inaccuracies in Net Assets Balance

The statement of financial position reflects net assets balance of Kshs.166,560,579 while the statement of changes in net assets reflects net assets balance of Kshs.166,076,702 resulting to variance of Kshs.483,877 which has not been explained or reconciled. Further the statement of changes in net assets shows net assets balance of Kshs.166,560,579 while the re-casted balance is Kshs.166,076,702 .

In the circumstances, the accuracy of the financial statements could not be determined.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.95,176,000 and Kshs.78,607,169, respectively, resulting to an under-funding of Kshs.16,568,831 or seventeen percent (17%) of the budget. Similarly, the Institute expended Kshs.56,967,591 against actual receipts of Kshs. 78,607,169 resulting to an under-absorption of Kshs.21,639,578 or twenty-eight percent (28 %) of the receipts.

The underfunding and under-absorption affected the planned activities and programs and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

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. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the financial statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance and some issues were not included in the annual report and financial statements contrary to the requirement of the reporting standards. Further, some issues have not been resolved contrary to contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding.

Other Information

Management is responsible for the other information set out on page iii to xxiv which comprise of Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of performance against predetermined objectives, Corporate governance statement, Management Discussion and Analysis, Corporate Social responsibility , Report of the Board of Governors and Statement of Board of Governors Responsibilities .The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of other information, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that other information is not materially inconsistent with the financial statements.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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

1. Inaccurate Student Enrollment Data

Reviews of the students' data revealed that there was discrepancies between the number of students in the Kenya Universities and Colleges Central Placement Service (KUCCPS) and the number of students in the institution's records. The enrolment and funding of students during the year are indicated below.

Quarters	Number of Students as per the Institute's Records	Number of Students as per the KUCCPS Records	Variances
1st (July- Sept)	915	List not provided	-
2nd (Oct -Dec)	812	1095	(283)
3rd (Jan-Mar)	821	689	132
4th (Apr-Jun)	874	689	185

The College did not therefore maintain accurate students' data as required by the Ministry of Education for the funding determination purpose.

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

2. Undisclosed Grants from Donors and Development Partners

During the year under review, the Institute entered into a grant agreement with Colleges and Institutes of Canada (CICAN) for Kshs.5,525,650 and the College was to contribute an amount of Kshs.660,000 in kind. The College received the first batch of the grants amounting to Kshs 2,729,600 from CICAN on 2 March, 2024. However, this amount was not disclosed in the financial statement as part of transfers from donors and development partners. In addition, the following anomalies were noted.

- A signed copy of the grant's agreement was not provided for audit review.
- The agreement required opening of a non-interest bank account as per clause B2 of the grants' agreement and grants were not to be co-mingled with other funds. However, the bank account was not opened and the grants' funds were deposited in the development bank account.

- c. The agreement required all goods or equipment purchased with grant funds and College's contribution to be property of the College as per Clause 5.2 of the grant's agreement. However, the institute purchased biological assets, plant and equipment, ICT equipment, furniture and fittings valued at Kshs 2,439,000 which were not included in the assets register.

In the circumstances, Management was in breach of the terms of the agreement.

3. Irregular Composition of the Board of Governors

Review of the Board of Governors' records revealed that the board comprised of seven (7) members. However, there were no representatives of the principal secretary in the Ministry responsible for Technical and Vocational Education and Training and the County Government contrary to the second schedule of the Technical and Vocational Education and Training Act, 2013 (2) (b)(c)

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

4. Recruitment of Staff without Staff Establishment.

During the period under review, the board recruited twenty-four (24) employees without approved human resource plans and policy to guide in the recruitment, selection, appointment and deployment process. Further, the institute has not developed and implemented staff establishment contrary to Section B2(1) of Human Resource Policies and Procedures Manual for the Public Service, 2016 which requires a public entity to prepare Human Resource Plans to support achievement of goals and objectives in their Strategic plan.

Further, the recruitment was not supported with job advertisement, list of applicants, list of shortlisted applicants, interview report and approval from the Board to hire the employees.

In addition, the twenty four (24) employees include sixteen (16) trainers. However, there was no evidence that the trainers were registered by Technical and Vocational Education and Training Board as required in Section 23 (1) of Technical and Vocational Education and Training Act, 2013.

In the circumstance, Management was in breach of the policy guideline and manual.

5. Irregular Ethnic Composition

Review of the personnel records revealed that, out of the twenty-four (24) staffs recruited, twenty-three (23) or approximately 96% were from the dominant local community. The personnel records also show that, as at 30 June 2024, the institution had a total of one hundred and twenty (120) employees out of whom one hundred and nine (109) or approximately 91% were from the dominant local community. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act 2008 which requires that all public establishments shall seek to represent the diversity of the people of Kenya in

employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

In this circumstance, Management is in breach of the law

6. Lack of Imprest Register

Review of imprest records revealed that the College did not maintain an imprest register as required by Regulation 93(4)(c) of the Public Finance Management (National Governments) Regulations, 2015. Therefore, imprests issued were not recorded and accountability could not be ensured.

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

7. Failure to Maintain Memorandum Cash Book

Review of the financial records, revealed that the College did not maintain memorandum cash book for the management of cash advances and petty cash transactions. The cash book is supposed to summarize cash movements, including petty cash, cash payments and other purchases. This is contrary to Section 93 (14) and (15) of the Public Finance Management Act (PFMA), 2012 which requires the holder of a standing imprest to keep a memorandum cash book to record all receipts and payments.

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

The audit was conducted in accordance with ISSAI 3000 and 4000. The standards require 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 comply 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, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Function

Review of the records and functions of the College revealed that the College did not have an internal audit function contrary to section 73 of the Public Finance Management Act, 2012 which provides for establishment of the internal audit function.

In the circumstance, the existence of an effective system of internal controls and risk management could not be confirmed.

2. Lack of Audit Committee

Review of the records and functions of the College revealed that the College did not have an Audit Committee. This was contrary to Section 73 (5) of Public Finance Management Act, 2012, which requires every national government entity to establish an audit committee whose composition and functions shall be as prescribed by the Regulations.

In the circumstance, the Institute missed the oversight role played by the Committee.

3. Lack of Risk Management Policy

Review of the records and systems revealed that the Management had not developed a Risk Management Policy contrary to Regulation 165. (1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the risk management process could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and 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 overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the Board of Management

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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Institute's ability 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 intention to terminate the College or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAI will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 July, 2025

Report of the Auditor-General on Konoin Technical Training Institute for the year ended 30 June, 2024

14. Statement of Financial Performance for the year ended 30 June 2024

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	1	17,868,467	14,427,000
Grants from donors and development partners		-	1,700,000
		17,868,467	16,127,000
Revenue from Exchange transactions			
Rendering of services- fees from students	2	60,738,702	43,493,834
Other income			1,031,924
Revenue from Exchange transactions		60,738,702	44,525,758
Total Revenue		78,607,169	60,652,758
Expenses			
Use of goods and services	3	46,892,152	27,350,080
Employee costs	4	9,319,819	11,859,857
Board /Council Expenses	5	227,000	589,000
Depreciation and amortization expense	6	6,475,877	8,915,274
Repairs and maintenance	7	528,620	1,270,911
Grants –development of West mugirango			1,000,000
Finance costs			1,138,800
Total Expenses		63,443,468	52,123,922
Net surplus/(Deficit) for the year		15,163,701	8,528,836

The notes set out on pages 48 to 57 form an integral part of the Annual Financial Statements

The Financial Statements set out on pages 3 to 37 were signed by:

.....
Chairman of Council/Board

.....
Finance Officer
ICPAK No.11389.

.....
Principal

Date:

Date: 28/5/2025

Date

15. Statement of Financial Position as at 30th June 2024

		Kshs	
Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	8	3,013,265	3,258,759
Current portion of receivables from exchange transactions	9	26,526,029	21,072,313
Inventories		8,730,678	7,973,402
Biological Assets		555,000	-
Investments		-	4,000,000
Total Current Assets		38,824,972	36,304,474
Non-Current Assets			
Property, plant, and equipment	10	138,489,267	135,330,253
Intangible assets	11	904,709	1,764,296
Total Non-Current Assets		139,393,976	137,094,549
Total Assets		178,218,948	173,399,023
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	12	11,658,369	16,316,007
Total Current Liabilities		11,658,369	16,316,007
Non-Current Liabilities			
Non-Current Borrowings		-	6,170,115
Total Non-Current Liabilities		-	6,170,115
Total Liabilities		11,658,369	22,486,122
Net Assets			
Reserves		7,000,000	7,000,000
Accumulated Surplus		35,599,890	19,952,212
Capital Reserves		123,960,689	123,960,689
Total Net Assets and Liabilities		178,218,948	173,399,023

KONON TECHNICAL TRAINING INSTITUTE- ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2024


.....

Chairman of Council/Board

Date 23/8/2025


.....

Finance Officer

ICPAK No

Date 23/08/2025


.....

Principal

Date 23/08/2025

16. Statement of Changes in Net Asset for the year ended 30 June 2024

Description	Revaluation reserve	Retained earnings	Capital/ Development Grants/Fund	Capital Reserves West Mugirango	Total
Balance c/as at June 30 th 2019		13,517,593	135,545,689		149,063,282
Balance b/f as at 1 st July 2019		13,517,593	135,545,689		149,063,282
Prior Year Adjustments					
Shares purchased at Imarisha sacco		3,000,000			
Correction of prior year semi-permanent building depreciation		842,950			
As at 1 st July as Restated	-	17,360,543	135,545,689		152,906,232
Transfer of depreciation from retained earnings to deferred government grants		-12,247,801	-12,247,801		-12,247,801
Capital reserves(WIP)				10,000,000	10,000,000
Surplus for the year		1,641,497			1,641,497
Balance c/d as at 30 th June 2020		31,249,841	123,297,888	10,000,000	164,547,729
Prior year adjustments					
Fixed assets expensed as tuition expense		1,766,700			1,766,700
Capital grants		10,000,000			10,000,000
Balance c/d as at June 30 th 2020 as restated		23,016,541	112,381,689	10,000,000	145,398,230
At 1 st July 2020		23,016,541	112,381,689	10,000,000	145,398,23
Valuation of land	7,000,000				
Capital Reserves (WIP)				20,000,000	20,000,000
Prior Year Adjustments					
Surplus for the year		5,553,493			5,553,493
Balance c/d as at June 2021	7,000,000	28,570,034	123,297,888	30,000,000	188,867,922
Capital reserves (WIP)				23,500,000	23,500,000
Capital Grants (computers and accessories by cican			662,801		662,801
Surplus for the year		-9,681,875			-9,681,875
Adjustment on retained earnings		500,830			500,830
Balance c/d as at June 30 th 2022	7,000,000	19,388,989	123,960,689	53,500,000	203,849,678
Capital reserves(WIP) 2022				1,700,000	1,700,000
Surplus for the year		(711,358)			(711,358)
Balance c/d as at June 30,2023	7,000,000	19,952,212	123,960,689	0	150,912,901

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Description	Revaluation reserve	Retained earnings	Capital/ Development Grants/Fund	Capital Reserves West Mugirango	Total
Surplus for the year		15,163,701			0
Balance c/d as at June 30,2024	7,000,000	35,115,913	123,960,689	0	166,560,579

17. Statement of Cash Flows for the year ended 30 June 2024.

Description		2023-2024	2022-2023
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities/govt. Grants	1	17,868,467.00	14,427,000.00
Conditional Grant			1,700,000.00
Rendering of services- fees from students	2	60,738,702.00	43,493,834.00
Miscellaneous income		-	1,031,924.00
Total Receipts		78,607,169.00	60,652,758.00
Payments			
Compensation of employees	4	9,319,819.00	11,859,857.00
Use of goods and services	3	46,892,152	27,350,080.00
Board Expenses	5	227,000.00	589,000.00
RMI	7	528,620.00	1,270,911.00
Depreciation	6	6,475,877.00	8,915,274.00
Finance cost		-	1,138,800.00
Grants and subsidies		-	1,000,000.00
Total Payments		63,443,468	52,123,922.00
Net Surplus		15,163,701	8,528,836.00
Adjusted for			

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Depreciation		6,475,877.00	8,915,274.00
Decrease in receivable		5,453,716.00	21,202,181.00
(Decrease)/Increase in Payables		(4,657,638.00)	(1,676,252.00)
Net cash flows from operating activities		22,435,656	36,970,039.00
Cash flows from investing Activities			
Purchase of property, plant, equipment and intangible assets		(23,165,127.00)	(28,302,931.00)
Purchase of intangible assets		-	(2,150,000.00)
Net Cash flows from investing activities		(23,165,127.00)	(30,452,931.00)
Cash flows from financing activities			
Proceeds from borrowings- bus loan		-	1,560,607.00
Repayment of borrowings		-	(1,000,000.00)
Capital reserves and construction of West Mugirango		-	1,700,000.00
Net cash flows used in financing activities		-	2,260,607.00
Net increase/decrease in cash and cash equivalent		483,977.00	7,746,960.00
Cash and Cash equivalents 1 st July 2023		3,258,759.00	4,488,201.00
Cash and Cash equivalents at 30 th june 2024		3,013,265.00	3,258,759.00

The Financial Statements set out on pages 3 to 34 were signed by:


.....

Chairman of Council/Board

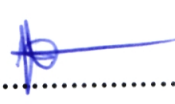
Date 23/05/2025


.....

Finance Officer

ICPAK No.11389

Date 23/05/2025


.....

Principal

Date 23/05/2025

KONON TECHNICAL TRAINING INSTITUTE

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18. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other govt entities and govt grants	45,000,000	-	45,000,000	17,868,467	27,131,533	60%
Rendering of services- fees from students	48,676,000	-	48,676,000	60,738,702	12,062,702	125%
Other income	1,500,000	-	1,500,000	-	-	-
Total Income	95,176,000	-	95,176,000	78,607,169	16,568,831	83%
Expenses						
Compensation of employees	17,280,000	-	17,280,000	9,319,819	7,960,181	54%
Use of goods and services	75,428,500	-	75,428,500	46,892,152	28,536,348	62%
Board/Council expenses	2,234,350		2,234,350	227,000	2,007,350	10%
Repairs and Maintenance	2,467,500	-	2,467,500	528,620	1,938,880	25%
Total Expenditure	95,176,000	-	95,176,000	56,967,591	38,208,409	60%

19. Notes to the Financial Statements

1. General Information

Konoin Technical Training Institute is established by and derives its authority and accountability from PFM Act, the State Corporations Act and the TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The institute is established under Technical and vocational education and training authority via certificate number TVETA/PUBLIC/RC/0020/2016. The entity's principal activity is to provide quality training in technical, industrial, vocational and entrepreneurship. It is guided through its operations by other Acts of Parliament like KNEC Act, TVET Act, KIE Act KASNEB Act and others.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Konoin Technical Training Institute accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Konoin Technical Training Institute. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2024.

Standard	Effective Date and Impact
IPSAS 41-Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by ➤ Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held.

	➤ Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and ➤ Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. (There is no impact of the standard to Konoin Technical Training Institute)
IPSAS 42 Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess. (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows (There is no impact of the standard to Konoin Technical Training Institute)
Amendments to other IPSAS resulting from IPSAS 41, Financial Instruments	a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued (There is no impact of the standard to Konoin Technical Training Institute)

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Other Improvements to IPSAS	Applicable 1st January 2023 ➤ IPSAS 22 Disclosure of Financial Information about the General Government Sector Amendments to refer to the latest System of National Accounts (SNA) ➤ IPSAS 39: Employee Benefits Now deletes the term composite social security benefits as it is no longer defined in IPSAS. ➤ IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. (There is no impact of the standard to Konoin Technical Training Institute)
IPSAS 43	The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. (There is no impact of the standard to Konoin Technical Training Institute)
IPSAS 44- Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance

ii. Early adoption of standards

Konoin Technical Training Institute did not early-adopt any new or

amended standards in year 2024

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 realized in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

ii. Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to

determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue

b) Budget information

The original budget for FY 2023/2024 was approved by the Council or Board on 17/06/2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon

receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure

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

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

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

c. Taxes**i. Sales tax/ Value Added Tax**

Expenses and assets are recognized net of the amount of sales tax, except:

➤ When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

➤ When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(d) Investment property

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

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

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or

deficit in the period of de-recognition.

Transfers are made to or from investment property only when there is a change in use.

(e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the

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

Depreciation

Depreciation shall be charged on a reducing balance basis

The KOTTI's assets shall be depreciated as per the criteria set out below;

Buildings	2%
Furniture	12.5%
Motor Vehicles	25%
ICT Equipment	30%
Furniture and fittings	12.5%
Plant & Machineries	10%
Bakery equipment	20%
Farm Implements	20%
Other office equipment	20%

(f)Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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.

(g)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 either finite or indefinite.

(h)Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project is recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

(i)Financial instruments

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are

measured at amortized cost using the effective interest method, less impairment.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or an entity of debtors are experiencing significant financial Difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate

j) Inventories

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

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

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

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

charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

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

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

k) 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.

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

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

Contingent liabilities

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

Contingent assets

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

l) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. (Entity to state the reserves maintained and appropriate policies adopted).

m) 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

n) Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement

benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

(o) Foreign currency transactions

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

Borrowing costs

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

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

(p) Related parties

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

(q) Service concession arrangements

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

(r) Cash and cash equivalents

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

cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year

(s)Comparative figures

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

(t)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, 2024

i.) Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. 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

KONON TECHNICAL TRAINING INSTITUTE

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1. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2023-2024	2022-2023
	KShs	KShs
Unconditional grants		
Capitation	17,868,467	14,427,000
Conditional grants		
Capital grants(For West Mugirango)	-	1,700,000
Total Government grants and subsidies	17,868,467	16,127,000

1b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2022-2023
	KShs	KShs	KShs	KShs	KShs
Ministry of Education State Department of Vocational and Technical Training	17,868,467			17,868,467	14,427,000
West Mugirango CDF Constructio					1,700,000
Total	17,868,467			17,868,467	16,127,000

2. RENDERING OF SERVICES

Description	2023-2024	2022-2023
	KShs	KShs
Tuition fees	19,205,359	14,439,848

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Activity fees	3,879,291	867,370
Attachment(Insurance and Medical)	2,206,000	607,000
Insurance	-	760
Registration fees	1,341,500	501,000
Exam fee	8,499,380	5,360,334
Computer Packages	5000	19,000
Student Identity Card	410,700	250,500
Student Council	526,565	605,600
Personnel Emoluments	11,195,316	2,580,562
Hire of Facilities	3,475,000	123,400
Boarding	9000	671,500
Other Income	2000	35,500
Tender fee	-	3000
Bus hire	817,950	524,000
Breakage fee	89000	261,000
Graduation fee	281,000	
Material /Practical fee	689,000	7,050,000
LT&T	3,221,486	3,928,260
EW&C	2,545,162	3,500,720
RMI	2,339,993	2,164,480
Total other income	60,738,702	43,493,834

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3. USE OF GOODS AND SERVICES

Description	2023-2024	2022-2023
	KShs	KShs
Tuition expenses	25,087,001	13,087,219
Boarding expenses	51,690	1,449,122
Activities	518,168	501,840
Electricity and water	1,117,816	971,566
Insurance	483,977	400,000
Attachment	484,790	598,172
Bank charges	7,136	-
Administration costs and expenses	2,812,385	130,560
Student council expenses	421,510	28,700
Computer Packages	36,000	18,000
Bus hire	16,300	31,000
Student Identity Card	58,000	22,270
Examination	7,041,199	5,650,308
Internet expenses	305,407	29,999
Graduation expenses	1,000,000	1,500
Other expenses	1,764,368	18,445
RMI	528,620	1,270,911
LT & T	5,157,785	1,922,999
Total good and services	46,892,152	27,350,080

NOTES TO THE FINANCIAL STATEMENTS (Continued)**4. EMPLOYEE COSTS**

	2023-2024	2022-2023
	KShs	KShs
Salaries and wages	9,242,434	11,859,857
Travel, motor car, accommodation, subsistence and other allowances	77,385	
Total Employee costs	9,319,819	11,859,857

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5. BOARD ALLOWANCE

Description	2023-2024	2022-2023
	KShs	KShs
Other allowances	227,000	589,000
Total director emoluments	227,000	589,000

6. DEPRECIATION AND AMORTIZATION EXPENSE

Description	2023-2024	2022-2023
	KShs	KShs
Property, plant and equipment	6,475,877	8,408,546
Intangible assets		506,728
Total depreciation and amortization	6,475,877	8,915,274

7. REPAIRS AND MAINTENANCE

Description	2023-2024	2022-2023
	KShs	KShs
Other	528,620	1,270,911
Total Repairs and Maintenance	528,620	1,270,911

8. CASH AND CASH EQUIVALENTS

Description	2023-2024	2022-2023
	KShs	KShs
Bank balance	2,898,575	3,136,217
Others(Cash)	114,690	122,542
Total cash and cash equivalents	3,013,265	3,258,759

The institution's cash and bank balances are held with a major Kenyan financial institution and, insofar as the directors are able to measure any credit risk to these assets, it is deemed to be

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8 (b). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Description		2023-2024	2022-2023
	Account number	KShs	KShs
Kenya Commercial Bank - Tuition account	1217674810	1,944,166	3,136,217
Kenya Commercial Bank - Operation	1217674535	41,249	
Kenya Commercial Bank - Development	1217674683	42,287	0
Imarisha Sacco salary account	5042699503	870,873	0
Kenya Commercial Bank - USD account	123278280	-	0
Cash on hand		114,690	122,542
Total cash and cash equivalents		3,013,265	3,258,759

9. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024		2022-2023	
	KShs		KShs	
Current receivables				
Student debtors	26,526,029		21,072,313	
Total current receivables	26,526,029		21,072,313	
Aging Analysis	2023-2024	% of the total	2022-2023	% of the total
Under one year	14,589,316	55%	11,589,772	55%
1-2 years	11,936,713	45%	9,482,541	45%
2-3 years				
Over 3 years				
Total	26,526,029	100%	21,072,313	100%

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Semi-Permanent	Motor vehicles	Furniture and fittings	Computers	Tents	Generator	Plant and equipment	Capital Work in progress	Total
		2%	2%	25%	12.5%	30%	25%	30%	12.5%		
Cost		Kshs		Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	Kshs
At 30 th June 2020		46,562,052	3,665,000	12,000,000	3,468,968	1,084,000			103,802,850	10,000,000	180,582,870
Adjustments		-	-			158,200			1,608,500		1,766,700
Adjusted cost as at 30 th June 2020		46,562,052	3,665,000	12,000,000	3,468,968	1,242,200			105,411,350	10,000,000	182,349,570
Additions		7,618,492			270,000	1,333,100	175,000	205,000	830,535	16,220,525	26,652,652
Valuation	7,000,000										7,000,000
As at 30 th June 2021	7,000,000	54,180,544	3,665,000	12,000,000	3,738,968	2,575,300	175,000	205,000	106,241,885	26,220,525	216,002,222
Valuation	7,000,000										7,000,000
Cost		54,180,544	3,665,000	12,000,000	3,738,968	2,575,300	175,000	205,000	106,241,885	26,220,525	209,002,222
Total	7,000,000	54,180,544	3,665,000	12,000,000	3,738,968	2,575,300	175,000	205,000	106,241,885	26,220,525	216,002,222
Additions					422,000	360,000	175,000		2,727,898	23,955,232	27,640,130
As at 30 th June 2022	7,000,000	54,180,544	3,665,000	12,000,000	4,160,968	2,935,300	350,000	205,000	108,969,783	50,175,757	243,642,352
Cost as at 30 th June 2021	7,000,000	54,180,544	3,665,000	12,000,000	3,738,968	2,575,300	175,000	205,000	106,241,885	26,220,525	216,002,222
Additions					422,000	1,022,801	175,000		2,727,898	23,955,232	28,302,931
Revaluation	0	31,544,745	609,711	1,000,000	-1,380,968	-1,860,300		-55,000	-88,073,220		-58,215,032

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	Land	Buildings	Semi-Permanent	Motor vehicles	Furniture and fittings	Computers	Tents	Generator	Plant and equipment	Capital Work in progress	Total
		2%	2%	25%	12.5%	30%	25%	30%	12.5%		
Cost		Kshs		Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	Kshs
As at 30 th June 2022	7,000,000	85,725,289	4,274,711	13,000,000	2,780,000	1,737,801	350,000	150,000	20,896,563	50,175,757	186,090,121
Depreciation & Impairment											
As at 1 st July 2017		931,241	-								931,241
As at 30 th June 2018		931,241									931,241
Depreciation		912,616	73,300			148,800			12,975,356		14,110,072
As 30 th June 2019		1,843,857	73,300			148,800			12,975,356		15,041,313
Depreciation		894,364	71,834	1,750,000	433,621	280,560			11,353,437		14,783,816
As at 30 th June 2020		2,738,221	145,134	1,750,000	433,621	429,360			24,328,793		29,825,129
Depreciation		1,028,846	70,397	2,562,500	413,168	643,782	43,750	61,500	10,239,137		15,063,080
As at 30 th June 2021		3,767,067	215,531	4,312,500	846,789	1,073,142	43,750	61,500	34,567,930		44,888,209
Depreciation		1,008,270	68,989	1,921,875	414,272	558,647	76,563	43,050	9,300,232		13,391,898
Reversal on Depreciation		-1,008,270	-68,989	-1,921,875	-414,272	558,647	-	43,050	300,232		3,315,335
Depreciation 2022		1,714,506	85,494	3,250,000	347,500	521,340	76,563	45,000	2,612,070		8,652,473
Depreciation 2023		1,680,216	83,784	2,437,500	304,063	364,938	68,360	31,500	228,556		5,198,917
Unstated Dep west Mugirango TVC											(277,284)
Actual depreciation 2023											4,921,633
Depreciation 2024		1,713,820	82,108	1,828,125	266,055	255,457	51,270	22,050	2,256,992		6,475,877

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	Land	Buildings	Semi-Permanent	Motor vehicles	Furniture and fittings	Computers	Tents	Generator	Plant and equipment	Capital Work in progress	Total
		2%	2%	25%	12.5%	30%	25%	30%	12.5%		
Cost		Kshs		Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	Kshs
Netbook Values											4,921,633
As at 30 th June 2024	5,000,000	83,977,179	4,023,325	5,484,375	1,862,382	596,066	153,808	51,450	15,798,944	21,541,738	138,489,267
As at June 2023	7,000,000	85,690,999	4,105,433	7,312,500	2,128,437	851,523	205,078	73,500	18,055,936	1,700,000	127,123,406
											(277,284)
											126,846,122
As at 30 th June 2022	7,000,000	84,010,783	4,189,217	9,750,000	2,432,500	1,216,461	273,438	105,000	18,284,492	50,175,757	177,437,647
As at 30 th June 2021	7,000,000	50,413,477	3,449,469	7,687,500	2,892,179	1,502,158	131,250	143,500	71,673,955	26,220,525	171,114,013
As at 30 th June 2020		43,823,831	3,519,866	10,250,000	3,035,347	654,640			79,474,057	10,000,000	150,757,741
As at 30 th June 2019		44,718,195	3,591,700			347,200			90,827,494		139,484,589

NB : Konoin TTI lies on 2.023 HECTARES piece of land donated by Koiwa Primary School

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. INTANGIBLE ASSETS-SOFTWARE

Description	2023-2024	2022-2023
	KShs	KShs
Cost		
At beginning of the year	1,764,296	383,638
Additions	-	2,150,000
Cost end of the year	1,764,296	2,533,638
Amortization and impairment		
At beginning of the year	506,728	262,614
Amortization	352,859	506,728
Amortization at end of the year	859,587	769,342
NBV	904,709	1,764,296

12. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024		2022-2023	
	KShs		KShs	
Trade payables	10,728,636		16,316,017	
Prepaid fees	929,733			
Total trade and other payables	11,658,369		16,316,017	
Aging Analysis	2023-2024	% of the total	2022-2023	% of the total
Under one year	6,412,103	55%	8,973,809	34%
1-2 years	5,246,266	45%	7,342,208	66%
2-3 years				
Over 3 years				
Total	11,658,369	100%	16,316,017	100%

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. FINANCIAL RISK MANAGEMENT

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company 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 and available-for-sale financial investments.

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 directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the institution'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 Kshs	Fully performing Kshs
At 30 June 2024		
Cash and cash equivalents	3,013,265	3,013,265
Receivables from exchange transactions	26,526,029	26,526,029
Receivable from non-exchange transactions	17,868,467	17,868,467
Total	47,407,761	47,407,467
At 30 June 2023		
Cash and cash equivalents	3,258,759	3,258,759
Receivables from exchange transactions	28,846,687	28,846,687

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Receivable from non-exchange transactions	14,427,000	14,427,000
Total	46,532,446	46,532,446

(i) Credit risk (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 company has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade and other payables from exchange transactions	11,658,369		-	11,658,369
Current portion of borrowings				
Total	11,658,369			11,658,369
At 30 June 2023				
Trade and other payables from exchange transactions	23,506,790		-	23,506,790
Current portion of borrowings				
Total				23,506,790

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

FINANCIAL RISK MANAGEMENT (Continued)

(iii) Market risk

The entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day to day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

14. RELATED PARTY BALANCES

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. Other related parties include:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;

The transactions and balances with related parties during the year are as

	2023-2024	2022-2023
	Kshs	Kshs
Transactions with related parties		
a) Grants /Transfers from the Government		
Grants from National Government	17,868,467	14,427,000
Total	17,868,467	14,427,000

Konoin Technical Training Institute

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15. EVENTS AFTER THE REPORTING PERIOD

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

16. ULTIMATE AND HOLDING ENTITY

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

17. CURRENCY

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

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20.APPENDIX I: INTER-ENTITY TRANSFERS

20.APPENDIX I: INTER-ENTITY TRANSFERS

	ENTITY NAME:	KONON TECHNICAL TRAINING INSTITUTE		
	Break down of Transfers from the State Department for Vocational and Technical Education			
	FY 2023/2024			
a.	Recurrent Grants			
		Bank Statement Date	Amount (KShs)	Indicate the FY to which the amounts relate
	Capitation	02/10/2023	4,483,500	2023/2024
	Capitation	05/02/2024	4,168,000	2023/2024
	Capitation	18/01/2024	3,647,000	2023/2024
	Scholarship	27/02/2024	4,884,640	2023/2024
	Scholarship	27/02/2024	685,327	2023/2024
		Total	17,868,467	

The above amounts shown are correct as of the date indicated.

Finance Officer
Kipkoech Kirui

Sign



Principal Accounting Officer.
Sigei Wesley

Sign



21.APPENDIX II: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit report	Issue/Observations from the Auditor	Management Comments	Status (resolved/not resolved)	Time frame. Put a date when you expect the issue to be resolved
Inaccuracy in the statement of financial position	Nil balance in respect of net assets which differs with recomputed balance	Agreed with the auditors findings and corrected the issue	Resolved	30 June 2025
Inaccuracy in the statement of changes in Net Assets	Nil balance in respect of total net assets	Agreed with the auditors findings and corrected the issue	Resolved	30 June 2025
Inaccuracies in the statement of cash flows	Unreconciled and unexplained variances	Agreed with the auditors findings and has commenced to rectify the issue	Not yet resolved	30 June 2025

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