

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 JUL 2025	DAY: WEDNESDAY
TABLED BY: HON. (DP) ROBERT PUKOSE	
CLERK-AT THE-TABLE: HALIMA GULEIMAN	

OF

THE AUDITOR-GENERAL

ON

**KAREN TECHNICAL TRAINING INSTITUTE
FOR THE DEAF**

**FOR THE YEAR ENDED
30 JUNE, 2023**



KAREN TECHNICAL TRAINING INSTITUTE FOR THE DEAF

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2023**

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

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Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

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1. Acronyms & Glossary of Terms

BES	Boarding Equipment & Stores
BOG	Board of Governors
CAPA	Commonwealth Association of Technical Universities and Polytechnics in Africa
EWC	Electricity, Water and Conservancy
Fiduciary Management	Key management personnel who have financial responsibility in the Institute
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KATTI	Kenya Association of Technical Training Institutions
MOE	Ministry of Education
MOH	Ministry of Health
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
PTA	Parents Teachers Association
SES	School Equipment & Stationaries
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVET	Technical and Vocational Education and Training

2. Key Institute Information and Management

(a) Background information

Karen Technical Training Institute for the Deaf was founded in the Year 1990 with the mandate to offer Technical and Vocational Education and Training to Students with Special Needs in Kenya (the Deaf). Since 2015 the Institution operates under the State Department of Vocational and Technical Training. From inception the Institute had been under the State Department of Basic Education; Ministry of Education.

At Cabinet level Karen Technical Training Institute for the Deaf is represented by the Cabinet Secretary for Ministry of Education who is responsible for the general policy and strategic direction of the Institute. The Institute is domiciled in Kenya and is located along Karen road.

Karen Technical Training Institute for the Deaf has an Appointed Board of Governors whose main role includes; Determining the Organization's Vision, Mission, Purpose and Core Values. Setting and overseeing the overall Strategy and approve significant Policies of the Organization Ensuring that the Strategy is aligned with the purpose of the Organization and legitimate interests and expectations of her Stakeholders Monitoring the Organization's Performance and ensuring sustainability

(b) Principal Activities

The principal activity of the Institute is the provision of technical, vocational education and training to deaf students with special needs in Kenya.

Vision Statement

A Centre of Excellence in Integrated Technical and Vocational Education for the Hearing Challenged and the Hearing

Mission Statement

To provide adequate and appropriate Technical and Vocational Training for Artisans, Craftsmen, Technicians and Technologists through practical training and work experience and transfer of technology with other TVET Institutions and key players in the Industry.

Strategic Objectives

1. Provide Quality Competence Based Education and Training
2. Enhance Financial Sustainability by Increasing Revenues and Managing Costs.
3. Enhance ICT in Training and Operations of Institute.
4. Promote Human Resources Capacity and Improve Corporate Image.
5. Promote Collaboration with other TVET Institutions and Key Players in the Industry.

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(b) Key Management

The Institute's day-to-day management is under the following key organs:

- Board of Governors (BOG)
- Accounting officer/Principal and Secretary BOG
- Management

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

1.	Principal	Tecla M. Chemobo
2.	Deputy Principal Administration	Norah Joy Ananda
3.	Deputy Principal Academics	Japheth N. Onyimbo
4.	Finance Officer	Wilfred Kimathi
5.	Registrar	Joseph Wanjohi
6.	Dean of Students	Lorraine Koros

(d) Fiduciary Oversight Arrangements

The Institute's key fiduciary oversight arrangements include:

- Audit Committee
- Planning, Strategy, Finance and Resource Mobilization Committee
- Academic and Students Affairs Committee

(e) Institute Headquarters

Karen Technical Training Institute for the Deaf
P.O. Box 24785-0050
Karen Road
Nairobi, Kenya

(f) Institute Contacts

Telephone: (254) 0722-261453 (Principal's no.)
E-mail: kttid2007@yahoo.com
Website: www.kttideaf.ac.ke

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Key Institute Information and Management (Continued)

(g) Institute Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000 - 00200
Nairobi, Kenya

National Bank of Kenya
Harambee Avenue
P.O. Box 41862 - 00100
Nairobi, Kenya

ABSA Bank of Kenya
P.O. Box 24180 - 00502
Nairobi, Kenya


(h) Independent Auditors


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

(i) Principal Legal Adviser

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

3.The Board of Governors


<p>1.</p>	 <p>CPA Dr Joseph Obwogi PhD, CHRP</p> <p>BOG Chairperson DOB: 12TH NOVEMBER 1975</p>	<p>CPA Dr Joseph Obwogi is the Chairman Board of Governors, Kenya Technical Training Institute for the Deaf. He is an acknowledged Researcher and Administrator with wide Academic and Administrative Experience. His area of Expertise is Finance, Human Capital Management, Public Policy, Governance and Strategic Management. Dr Obwogi has worked in the university for over twenty-four years, a journey that started in the year 1998 when he joined Jomo Kenyatta University of Agriculture and Technology (JKUAT) as an Accountant rising the hierarchy to Assistant Registrar, Deputy Registrar and University Registrar.</p> <p>Prior to his current appointment, Dr Obwogi served as board member of the JKUAT Staff Retirement Pension Scheme, serving in numerous committees, in addition to providing full time secretariat to the JKUAT Council.</p> <p>Dr Obwogi has a PhD in Human Resource Management, an MBA, and a Bachelor of Science. He is a Certified Public Accountant of Kenya (CPA-K) and a Certified Human Resource Professional of Kenya (CHRP-K). He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) as well as the Institute of Human Resource Professionals (IHRM).</p> <p>He was appointed as Chair of the Board of Governors of the Karen Technical Institute for the Deaf (KTTID) on 05th June 2023 for a period of three (3) years.</p>
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<p>2.</p>	 <p style="text-align: center;">Tecla M. Chemobo Principal & Secretary BOG DOB: 8TH OCTOBER, 1965</p>	<p>She is a scintillating, successful, spiritual and highly skilled professionally Trained Educationist with 34 years of experience as a Teacher that elevated her to the current position. She currently holds as the Principal of Karen Technical Training Institute for the Deaf in Nairobi, Kenya. She holds a Bachelor's Degree in Education (Upper 2nd Class Honors) from Kenyatta University, a Higher Diploma in Counselling Psychology from Kenya Institute of Professional Counselling [KIPC] as well as a Diploma in Education from Maseno - Siriba Diploma Teachers Training College. In the course of her working life, she has held various positions rising from a Class Teacher at Chepareria Girls High School in West Pokot, Kapsabet Girls High School, Kaaga Girls High School in Meru, Nairobi School and then to her promotion as a Lecturer, Head of Department, Dean of Students, Registrar and later Deputy Principal In-charge of Academic Affairs at Nairobi Technical Training Institute up to 2015 when she was appointed by the Teachers Service Commission to her current position as Principal TVET. She also serves as the Secretary to the Board of Governors at Karen Technical Training Institute for the Deaf. She has over 35 years' experience in inspiring and shaping policy within the TVET Sector having attended and participated in various Policy and Governance Workshops and Training for TVET Principals and Managers especially with the Government of Kenya and Ministry of Education as well as other Stakeholders such as Commonwealth Association of Technical Universities and Polytechnics in Africa {*CAPA} and {KATTI}.</p>
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<p>3.</p>	<div data-bbox="411 593 885 1115" data-label="Image"> </div> <div data-bbox="459 1288 890 1467" data-label="Caption"> <p>Maryan Abdi County Director TVET Nairobi County DOB: 12TH DECEMBER, 1977</p> </div>	<p>A fully qualified, experienced and dynamic professional with 18 years teaching experience, 11 years' managerial responsibilities, 1 ½ years humanitarian and relief work experience. A Dynamic leader, resourceful, adaptable and able to work in all conditions. Strong conflict resolution skills and effective negotiator. A result-oriented, creative and reliable team player who strives for excellence in all tasks assigned. She holds a Masters of Education (Educational Planning & Administration) from Catholic University of East Africa, a Diploma in Education Management from Kenya Education Management Institute, Bachelor of Education – Science from Kenyatta University, Diploma in Education (Science) from Kagumo Teachers College did her O' Level Education at Moi Forces Academy - Lanet. Other Professional Qualifications – August, 2003 Mathematics mentoring group held at Kagumo Teachers College. 17th-28th April 2006 Capacity building training program for NEPAD e-schools and ICT in Education- CEMASTE. 19th -24th July, 2009 Free Secondary Education and governance workshop for Principals of Public Secondary Schools at KESI. August 2018 Senior Management Course (SMC) Kenya School of Government. Key Skills; she has skills in Computer Applications, Planning/Organization, Communication, Administration and Interpersonal skills. Her work experience; from Feb 2008-Sept 2013 worked as a Principal, Kutulo Girls Secondary School. Sept 2013- Dec 2017 Principal Wajir Girls Secondary School. Jan 2018-Sept 2018 Nep Girls High School, Garissa. Oct 2018- Dec 2018 Senior Asst. Director of Education TVET. Jan 2019 to Date SADE- TVET County Director, Nairobi.</p>
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4.	 <p>Eng. Leonard Ithau BOG Member DOB: 23RD APRIL, 1961</p>	<p>Eng. Leonard Ithau holds a Bachelor of Science Degree in Civil Engineering from the University of Nairobi and a Master's of Science Degree in Construction Management from the University of Birmingham, England. He has served in the public service at the Kenya Ports Authority (KPA) and as a Project Management Consultant to various private bodies in the Health, Port and Harbours/Rail/Roads, Telecommunications, Oil and Gas, Hospitality, Industrial/Commercial and Housing Sectors. He is currently the Executive Director of Quemec Limited, a private consultancy practice.</p> <p>He has over thirty-five (35) years' experience in senior project advisory, design and construction management roles on major civil engineering, infrastructure and building works in Kenya and the broader South East Africa region.</p> <p>He is a registered Engineer with the Engineers Board of Kenya, a member of the Association for Project Management (UK) and the Institute of Directors (Kenya).</p> <p>Eng. Leonard Ithau is a member of the Board of Directors of Kenya Revenue Authority (KRA). He was first appointed on 30th May 2018 and subsequently re-appointed for a further term of three (3) years on 21st October 2019. He was appointed as a member of the Board of Governors of the Karen Technical Institute for the Deaf (KTTID) on 19th July 2021 for a period of three (3) years.</p>
5.		<p>A self-motivated individual, analytical, careful in planning and administration, Information Technology savvy and always willing to face challenges and progress using his skills and experience to enhance the organization's corporate idInstitute by significantly contributing to its growth.</p> <p>He has a Bachelor's Degree in Banking & Finance and Honors Diploma in Network Centered Computing with fourteen (14) years' experience in the fields of Human Resource</p>


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	 <p>Peter Arrile Matura BOG Member DOB: 23RD AUGUST, 1974</p>	<p>(Administration, Performance Management and Training) and Information Technology (HRIS Support officer). A graduate of Commerce (Banking & Finance, Cost Accounting), Dr. B.A Marathwada and currently pursuing a Master in Business Administration (Project Management), Kenyatta University.</p> <p>He also has vast knowledge in the IT and holds an MCSE Certificate (Microsoft Certified System Engineer).</p> <p>Currently working as, a Consultant with the Northern Rangeland Trust (NRTT) in training their various conservancy management boards and appointed as a Member of the Board of Governors of Karen Technical Training Institute for the Deaf in 19th July 2021.</p>
6.	 <p>Medrine Mueni Ndile BOG Member DOB: 25TH MAY, 1989</p>	<p>Medrine Mueni Ndile is an Advocate of the High Court of Kenya. She has 11 years' experience practicing Commercial, Conveyancing and Litigation Law. She holds a Master's Degree in Public Policy and Management from Strathmore Business School, a Bachelor of Laws (LLB) Degree from University of Nairobi (UON) and a Post-Graduate Diploma in Law from the Kenya School of Law. She was admitted as an Advocate of the High Court of Kenya on 13th March 2015. She has extraordinary written and verbal communication skills. Known for an uncompromised work ethic, a compassionate and empowering personality. Skilled at developing strong relationships through collaboration and partnership to get things done. Her experience in providing overarching general legal assistance has enabled her to make a significant contribution to Rhombus Construction Institute Limited, Miller & Institute advocates, Musyoka Wambua & Katiku advocates, Rachuonyo and Rachuonyo Institute Advocates and Kitheka & Co. Advocates. Her background includes</p>


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		<p>providing board advisory and services, Institute advisory, preparing pleadings, motions, discoveries, and briefs, interpretation of laws as well as interacting with courts to facilitate streamlined legal operations. Her career tenure has encompassed a variety of areas of law, including Institute and corporate. She was appointed as a member of the Board of Governors at Karen Technical Training Institute for the Deaf in 19th July 2021.</p>
7.	 <p>George H. Gachanja Mahugu BOG Member DOB: 6TH OCTOBER, 1974</p>	<p>He holds a Bachelor of Science Degree in Microfinance from the Kenya Methodist University, a Diploma from the Kenya Institute of Management and a Certificate from the Catholic University of Eastern Africa in Management of Child Centered Organizations, Child Rights and Paralegal Studies. He has over 19 years working experience with NGOs primarily within the PWD {Persons With Disabilities} sector especially with the deaf. He currently holds the position of Program Coordinator at the Kenya Society for Deaf Children {KSDC}. He has previously worked as a Program Consultant with the Kenya Association of Parents of the Deaf and coordinating programs of network and funding organizations including Stitching Operation Eardrop and Vitaal based in Netherlands as well as in education and rehabilitation of hearing loss in children with the Department for International Development [DFID] and in mobilization and training of parents in Kenyan Sign Language for the U.S. Peace Corps. He has also been a trainer for the National Police Service of Kenya in Sign Language. He sits on the Board of Governors at Karen Technical Training Institute for the Deaf as a representative of KSDC. He has also previously been a Board Member of Mobil Oil. He was appointed as a member of the Board of Governors at Karen Technical Training Institute for the Deaf in 20th January 2022.</p>



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8.	 <p>Protus Atsali Lumiti BOG Member DOB: 24TH NOVEMBER, 1967</p>	<p>Dedicated and experienced in Leadership, Strategic Management and Organizational Development with over 15 years of experience. Protus is a Licensed Human Resource Management Professional (IHRM), with experience in General Management as well as Strategic Planning and Community Development.</p> <p>He currently serves as Deputy Executive Director, Children of God Relief Institute – Nyumbani; where he assists in planning, administration, project compliance and organizational management.</p> <p>He has a Master of Business Administration from Kenyatta University.</p> <p>He was conferred by HE President Uhuru Kenyatta for distinguished services rendered to the people of Kenya under the auspices of COGRI ins (2013).</p> <p>He was appointed as a member of the Board of Governors at Karen Technical Training Institute for the Deaf in 20th January 2022.</p>
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4. Key Management Team

<p>1.</p>	 <p>TECLA M. CHEMOBO Principal & Secretary BOG</p>	<p>She is a scintillating, successful, spiritual and highly skilled professionally Trained Educationist with 34 years of experience as a Teacher that elevated her to the current position. She currently holds as the Principal of Karen Technical Training Institute for the Deaf in Nairobi, Kenya. She holds a Bachelor's Degree in Education (Upper 2nd Class Honors) from Kenyatta University, a Higher Diploma in Counselling Psychology from Kenya Institute of Professional Counselling [KIPC] as well as a Diploma in Education from Maseno-Siriba Diploma Teachers Training College. In the course of her working life, she has held various positions rising from a Class Teacher at Chepareria Girls High School in West Pokot, Kapsabet Girls High School, Kaaga Girls High School in Meru, Nairobi School and then to her promotion as a Lecturer, Head of Department, Dean of Students, Registrar and later Deputy Principal In-charge of Academic Affairs at Nairobi Technical Training Institute up to 2015 when she was appointed by the Teachers Service Commission to her current position as Principal TVET. She also serves as the Secretary to the Board of Governors at Karen Technical Training Institute for the Deaf. She has over 28 years' experience in inspiring and shaping policy within the TVET Sector having attended and participated in various Policy and Governance Workshops and Training for TVET Principals and Managers especially with the Government of Kenya and Ministry of Education as well as other Stakeholders such as Commonwealth Association of Technical Universities and Polytechnics in Africa {CAPA} and {KATTI}.</p>
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<p>2.</p>	 <p>JAPHETH N. ONYIMBO Deputy Principal - Academics</p>	<p>He started teaching in 1995 at Karen Technical Training Institute for the Deaf. In 2000 he was transferred to Sunshine Secondary School to teach Drawing and Design and Mathematics and was the Head of Examinations for two years.</p> <p>In 2004 he was transferred back to Karen Technical Training Institute for the Deaf and in 2005 he was appointed to chair the Institution's Tuition Time-table Committee and thereafter in 2008 appointed Deputy Registrar.</p> <p>In 2009 he was appointed Registrar and his Office is in-charge of Admission and Registration of Students in the Institution and Administration of both Internal and External National Examinations among other responsibilities. He has attended various Kenya Association of Technical Training Institute (KATTI) Trainings and Technical Vocational Education Training Workshops organized by the Ministry of Education State Department of Vocational and Technical Training.</p>
<p>3.</p>	 <p>NORAH JOY ANANDA Deputy Principal - Administration</p>	<p>She started teaching in 1988 in Mukumu Girls Boarding Primary School till 1993 when she took study leave to further her studies. She studied Diploma in Special Education at Kenya Institute of Special Education and was awarded Diploma Special Education 1st Class Honours in 1995 with another special Award of Best Citizen.</p> <p>She was posted to Agakhan Primary School Deaf Unit in May 1995. She taught in this school till 1997 where she took another study leave to further her education and enrolled in Kenyatta University in 1997 September for Bachelor of Education (Special Education) and successfully completed in the Year 2000 and was awarded B.E.D Special Education with 2nd Class Honours – Upper Division.</p> <p>She was posted to Karen Technical Training Institute for the Deaf in 2001. In 2001 was appointed as a Sign Language facilitator. In 2005 was appointed as Head of Department of Audiology Department and Assistant Dean of Students.</p>

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		<p>She was also appointed in 2006 as Head of Performing Arts. In 2015 she was promoted as Dean of Students till to Date.</p> <p>She is also in-charge of two targets in the Performance Contract namely Service Delivery and Resolution of Public Complaints respectively.</p>
4.	 <p>JOSEPH WANJOHI Registrar</p>	<p>He started teaching in 1992 at Mururia High School in Kiambu. In 1995 he was transferred to SOS Technical Training Institute to teach Mathematics and promoted to be the Institution Head Teacher. In the year 2006 he was transferred to Karen Technical Training Institute for the Deaf to Teach Mathematics and Carpentry and Joinery. In 2009 he was appointed as the Head of Department Carpentry and Joinery. In 2021 he was appointed Registrar and his office is in – charge of Admission and Administration of both Internal and External National Examinations.</p>
5.	 <p>LORRAINE KOROS Dean of Students</p>	<p>She started teaching in 1998 in Machakos Technical Training Institute for The Blind after attaining a Diploma in Technical Education. In 2006, she was transferred to Karen Technical Training Institute for the Deaf to teach Entrepreneurship Education and Business Studies. In 2008 she was appointed to the Discipline Committee for five years. While working she managed to attain a Degree in Business Management from Moi University in 2009 and a Master in Business Administration from Jomo Kenyatta University of Agriculture in 2012. In 2021 she was appointed Dean of Students to Date. She is also in charge of one Target in the Performance Contract namely Business Process Re-Engineering.</p>

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<p>6.</p>	 <p>WILFRED KIMATHI Finance Officer</p>	<p>He is a Resilience Character holds a Bachelor of Business Administration (Accounting and Finance option) from Kenya Methodist University (Kenya), a Diploma in Business Management, University of Nairobi (DBM). Certified Public Accountant (CPA II) KSNEB studied at Meru Technical Training Institute know Meru National Polytechnic, a Certificate of Accounts Clerk National Certificate (ACNC) (I & II) (KASNEB). Secondary Education, Gikumene Secondary School Meru, Primary Education, Michogomone Primary School Meru. He is currently the Finance Officer Karen Technical Training Institute for the Deaf. He has attended various capacity building workshop organized Nairobi County School /Tertiary Institution Audit (Nyayo House Educations) attended Training Workshops Organized by TVET the State Department of Vocational and Technical Training Institutions, attended Trainings by National Treasury on Public Sector Accounting Standards Board (PSASB) Training accordance with the Basis of accounting method under the International Public Sector Accounting Standards (IPSAS). Sits in various Board Committee Treasurer Macho SACCO Ltd. He is a member Procurement Committee, Treasurer Ngong Methodist Church and Secretary Meban Self Help Group. He has 26 years working experience on the Finance field to date.</p>
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5. Chairman's Statement

Introduction

It is my utmost pleasure to present the Annual Report and Financial Statements for Karen Technical Training Institute for the Deaf for the year ended 30 June 2023.

Financial Performance

In the year under review, the Institution reported a total income of **Kshs. 137,120,099** compared to **Kshs. 98,588,376** for the FY 2021/2022 financial year. The increase in income during the financial year was mainly due to the Institution receiving Recurrent Grants from the National Government.

The Board of Governors

The Board is committed to ensure prosperity of the Institution by collectively directing its affairs whilst meeting the diverse interests of its stakeholders. The Board charter guides the operation of the Board while defining the functions and responsibilities of the Board of Governors and that of Management. The Board strives to maintain the highest standards of corporate governance and ethics in providing the policy and strategy of the Institution. During the financial year, a new Chair of the Board was appointed on 5th June 2023. Additionally, the Board of Governors was inducted in December 2022.

Achievements and Challenges

Over the last 5 years to date there has been gradual increase in enrolment of students from **861 in 2018 to 1538 in June 2023**. The Institute has also had notable improvement in general service delivery and in corporate social image. During the FY 2022/2023 Recurrent Grants from the National Government increased to Kshs. **Kshs. 68,445,000** from **Kshs. 39,612,765** in 2021/2022. The increased budgetary allocation helped in financing the programs and activities of the Institution.

Appreciation

On behalf of the Board of Governors, I wish to thank all the Stakeholders for the confidence placed on the Board during the entire period and look forward to serving even better. In a special way, I thank the Ministry of Education, State Department of Vocational and Technical Training that have stood with us during the entire financial year. Your continued support is highly appreciated. Further, I thank Members of Management, Staff and Students for their dedication and commitment towards the growth of the Institution.

Peter Matura
for CPA Dr Joseph Obwogi PhD, CHRP
Board Chairperson
Member of the Board and Chairman Board
Committee on Planning Finance &
Resource Mobilization
10/6/2023

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6. Report of the Principal

Introduction and Background

It is my great pleasure to present the Annual Report and Financial Statements for Karen Technical Training Institute for the Deaf for the year ended 30 June 2022. Karen Technical Training Institute for the Deaf is a Public Tertiary Institution under the State Department of Vocational and Technical Training that started in 1990 to offer Technical Training to the Deaf Youth in Kenya. The Institute trains students mainly at the level of Artisan, Craft and in Diploma courses based on the minimal number of Deaf Youth who successfully complete the Kenya Certificate of Primary Education (KCPE) and the very few who even proceed to the Kenya Certificate of Secondary Education (KCSE) Level. Effective January 2015, the Institute moved from the Department of Basic Education to the State Department of Vocational and Technical Training, Directorate of TVET and assumed new status with a higher profile.

Academics

The Institution has continued to provide quality Technical Vocational and Educational Training under the newly approved Competence Based Education and Training (CBET) Curriculum.

Overview of the Financial Performance

In the year under review, the Institution reported a total income of **Kshs. 137,120,099** compared to **Kshs. 98,588,376** for the FY 2021/2022 financial year. This was as result of increased budgetary allocations in both the Recurrent grants (**Kshs. 28,832,235**) and Capitation grants (**Kshs. 630,000**). Revenue from Tuition and Other Student fees also slightly grew by 3% in FY 2022/23 of **Kshs. 43,785,414** compared to the FY 2021/2022 (**Kshs. 42,608,197**).

Compliance with Statutory Guidelines

In the year under review, Karen Technical Training Institute for the Deaf diligently fulfilled its entire statutory obligation and guidelines set by government agencies and commissions. The Institution signed Performance Contracting with the Ministry of Education and the same was cascaded to relevant officers and Staff of the Institution with continuous monitoring and evaluation.

Challenges

Over the last 5 years, the has been increased enrolment of students from **861** in **2018** to **1538** in **2023**. However, the increase in the number of students does not commensurate with Government funding. This poses a great challenge to finance the growth of the Institution hence the need for increased budgetary allocation to the Institution.

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Appreciation

I note with appreciation that the Government of Kenya through the Ministry of Education, our collaborators, and other institutions that have rendered their support during the entire financial year under review. Further, I would like to appreciate the support accorded to me by Staff and Students in ensuring smooth running of the Karen Technical Training Institute for the Deaf. The Institution acknowledges the guidance of the Board of Governors in ensuring the Management is kept on the move towards attainment of the set targets.


Tecla M. Chemobo

Principal



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7. Statement of Performance against Predetermined Objectives

Karen Technical Training Institute for the Deaf has Five (5) Pillars and objectives within the current Strategic plan for the year 2019 to 2023. These strategic objectives are as follows:

- (i) Political
- (ii) Economic
- (iii) Social
- (iv) Technological
- (v) Environmental

Karen Technical Training Institute for the Deaf develops its Annual Work plans based on Five (5) pillars. Assessment of the Board's performance against its Annual Work plan is done on quarterly basis. The Karen Technical Training Institute for the Deaf achieved its Performance Targets set for the F/Y 2022/2023 period for its five (5) pillars as indicated in the diagram below:

Political	<ul style="list-style-type: none"> • Provide market driven and relevant training 	<ul style="list-style-type: none"> • Relevant training material available • Number of workshops with modern equipment 	<ul style="list-style-type: none"> • Provide modern equipment in the workshops • Provide timely and relevant teaching materials 	<ul style="list-style-type: none"> • Clothing Technology and Electrical Departments new Laboratories and Equipment
Economic	<ul style="list-style-type: none"> • Enhance financial stability 	<ul style="list-style-type: none"> • Timely annual budgets and audits • Number of trainees accessing HELB and Government grants 	<ul style="list-style-type: none"> • Ensure timely preparation of annual budgets and audits • Seek sponsorship for Trainees from sponsors such as HELB and Government Subsidies/grants 	<ul style="list-style-type: none"> • Budget prepared submitted within prescribed period
Technological	<ul style="list-style-type: none"> • Improve access to and use of ICT in education and training 	<ul style="list-style-type: none"> • Installed WIFI in the Institute • Introduce interactive screens 	<ul style="list-style-type: none"> • Install WIFI in the Institute • Number of interactive screens 	<ul style="list-style-type: none"> • Availability of internet, smartbo and overhead projectors in the Institute
Social	<ul style="list-style-type: none"> • Improve corporate image 	<ul style="list-style-type: none"> • Semester magazine developed • Active presence in different forums 	<ul style="list-style-type: none"> • Establish semester magazine • Use forums such social media and KATTI to market the institute 	<ul style="list-style-type: none"> • Regular updating courses offered through the instit website
Environmental	<ul style="list-style-type: none"> • Improve physical facilities for People with Disabilities 	<ul style="list-style-type: none"> • Ramps at various doors for ease access 	<ul style="list-style-type: none"> • Construct ramps at various doors for ease access of the physically challenged Persona 	<ul style="list-style-type: none"> • Ramps construct the doors of vari rooms in the Inst

8. Corporate Governance Statement

The Board of Governors is responsible for providing overall leadership through oversight, review and guidance in addition to the setting the strategic and policy direction of the institution. During the year under review, the Board of Governors comprised of 8 Members, all appointed by the Cabinet Secretary in the Ministry of Education and the Principal who is secretary to the Board of Governors. The Board is responsible for ensuring that Institution complies with the law and best practices in corporate governance.

Functions of the Board of Governors

The functions and powers of the Board Governors are as stipulated as indicated below:

- Determining the Institution's vision, mission, purpose and core values.
- Setting and overseeing the overall strategy.
- Approve significant policies of the institution.
- Ensuring that the Institution's strategy is aligned with its purpose, legitimate interests and expectations of the stakeholders.
- Monitoring the Institution's performance and ensuring sustainability.

Board Meetings Attendance and Members' Participation

The Board holds regular meetings to transact planned business of the Institution. Special meetings may also be called when there is significant business to discuss. During the year under review, the Board held mandatory meetings attended by all members. Board members receive adequate notices and detailed issues for discussion in order to for them to prepare for the meetings in advance.

Board Remuneration

Members of the Board are paid taxable sitting allowances for meetings attended as well as travel allowances while carrying out duties on behalf of the Institution as per the guidelines provided by Salaries and Remuneration Commission and approval by the Cabinet Secretary for Education.

Board committees

During the 2022/2023 financial year, the following were the committees in place:

- Audit Committee comprised of 3 members of the Board and 2 members of key management.
- Planning, Strategy, Finance and Resource Mobilization Committee comprised of 5 members of the Board and 2 members of key management.
- Academic and Students Affairs Committee comprised of 5 members of the Board and 2 members of key management.

Karen Technical Training Institute for The Deaf
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Conflict of Interest

The Institution has a conflict of interest policy which applies to all members of the Board, key management and other employees as per the requirements of section 29 of schedule 2 of the Technical and Vocational Education, 2013. They are obligated to disclose and remove themselves from discussion or decision making authority in matters which they may have material personal interest that could result in impairing their objectivity or interfere with the execution of their duties.

9. Management Discussion and Analysis

1. Financial and Operational Performance

Income

The main source of income for the Institution is grants from the Government of Kenya through the Exchequer. Internally, the Institution generates revenue in the form of tuition fees and other income from rental of facilities and equipment. During the financial year 2022/23 the Institution's approved budget was Kshs. **168,528,000 (2021/22: Kshs. 162,480,000)**.

The below is the breakdown of the income for the year:

Recurrent Grant – The Institution was initially allocated in the approved budget for the financial year 2022/23 **Kshs. 39,612,764 (2021/22: Kshs. 39,948,563)** against actual receipt of **Kshs. 68,445,000 (2021/22: Kshs. 39,612,765)**.

Capitation Grant - The Institution received **Kshs. 7,275,000 (2021/22: 6,645,000)** as Capitation Grants from the Ministry of Education, State Department of Technical & Vocational Training.

Development Grant – In the approved Budget, the Institution allocated **Kshs. 13,000,000 (2021//22: Kshs. 13,000,000)**. There was no development grant utilised during the year.

Tuition Fees – Budgeted amount of **Kshs. 72,741,000 (2021/22: Kshs. 57,900,000)** against actual fees collected of **Kshs. 43,785,414 (2021/22: Kshs. 42,608,197)** during the year.

Other Income – This comprises Rental of facilities and Equipment and other miscellaneous income budgeted at **Kshs. 1,598,000 (2021/22: Kshs. 1,598,000)** against actual income of **Kshs. 4,113,360 (2021/22: Kshs. 750,800)**.

Expenditure

Actual total expenditure for the year was **Kshs. 119,585,369 (2021/22: Kshs. 117,118,948)**. Major expenditure related to Boarding Equipment and Stores (BES) - **Kshs. 34,960,088 (2021/22: Kshs. 33,313,916)** and School Equipment Store (SES) **Kshs. 13,498,708 (2021/22: Kshs 13,721,457)**. Other major expenditure related to Salaries and Wages during the year **Kshs. 10,488,444 (2021/22: Kshs. 10,183,863)** and Depreciation expense **Kshs. 19,610,478 (2021/22: Kshs. 20,142,846)**.

2. Key projects or investment decision implemented or ongoing

During the financial year under review the Institution did not have any major ongoing projects.

3. Compliance with Statutory Requirements

Karen Technical Training Institute for the Deaf as a public Institute has a duty to ensure that all the relevant laws and regulations are adhered to and complied with. In addition, the Institution does acknowledge its obligation to have all statutory dues such PAYE, NHIF, NSSF, withholding tax and NITA levies processed and remitted before the set timelines. There are no non-compliance issues that may expose the institution to potential contingent liabilities neither are there ongoing or potential court cases and defaults that could expose the institution to adverse liability.

4. Major Risks facing the Organisation

The institution's activities expose it to a variety of strategic, operational, liquidity and financial risks:

- i. **Strategy Risk** – The risk associated with an institution's inability to formulate and/or execute a successful strategy. The risk has been mitigated by having a Board in place whose members are professional and well versed with the requirements of running a special needs tertiary institution. The education programmes at Karen Technical Training Institute for the Deaf are carefully selected and formulated to ensure its mandate is achieved in a sustainable manner.
- ii. **Operational Risk** - The risk of failure or loss resulting from inadequate or failed processes, people, or systems failure. This risk has been managed through defining and embedding internal controls in all the processes. These internal controls include but not limited to obtaining authorizations for all transactions and ensuring compliance with laws and regulations.
- iii. **Liquidity Risk** – The risk that an Institute will be unable to meet its obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances to cover anticipated expenditures through a consultative budgeting process with the parent ministry.

5. Material arrears in Statutory and other Financial Obligations

No Institute did not have any material arrears in Statutory and other financial obligations.

6. Financial Probity and serious Governance issues

There has been no financial improbity reported by the external auditors or other oversight bodies. The institution has a duly constituted Board of Governors that is supported by Board Committees.

10. Environmental and Sustainability Reporting Statement

Karen Technical Training Institute for the Deaf 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 Citizen first, improving physical facilities for People with Disabilities and improving operational excellence.

Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

Sustainability strategy and profile

The Board and Management of Karen Technical Training Institute for the Deaf is committed to ensuring prosperity of the Institution by collectively directing its affairs whilst meeting the diverse interests of its stakeholders.

The Board strives to maintain the highest standards of corporate governance and ethics in providing the policy and strategy of the Institution.

The Institution develops its Annual Work Plan based on the 5 strategic pillars and derives its objectives, activities and performance indicators from the same. Assessment of the Board and Key Management is based on the Annual Work Plan.

Environmental performance

Karen Technical Training Institute for the Deaf is committed in ensuring that waste disposal is done appropriately by use of incinerator to burn all wastes in order to maintain high level of cleanliness.

Employee welfare

To enhance performance, Institute recruit's employees under performance contracting in order to meet the ever-increasing demands of our students. The Institute considers staff training as a critical component towards improving work performance.

The Institute is an equal opportunity employer the hiring process is guided by factors such as gender ratio and they consider Persons With Disabilities as priority.

The Institution has a conflict of interest policy which applies to all members of the Board, key management and other employees as per the requirements of section 29 of schedule 2 of the Technical and Vocational Education, 2013.

The Institute ensures compliance with Occupational Safety and Health Act of 2007, (OSHA).

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Corporate Social Responsibility / Community Engagements

During the year under review, Karen Technical Training Institute for the Deaf did not carry out any Corporate Social Responsibility activities.

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11. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Institution's affairs.

Principal activities

The principal activities of the Institute are the provision of technical, vocational education and training to deaf students with special needs in Kenya.

Results

The results of the Institute for the year ended June 30 are set out on page 1 to 6.

Board of Governors

The members of the Board who served during the year are shown on page vi to xii. During the year there was 1 new board appointment of the Chair of the Board on 5th June 2023.

Auditors

The Auditor General is responsible for the statutory audit of the Karen Technical Training Institute for The Deaf in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2023, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

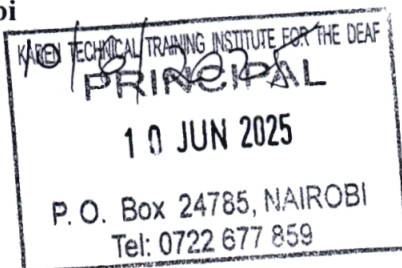
By Order of the Board

.....*Thelma*.....

Secretary of the Board

Nairobi

Date:



**Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023**

12. Statement of Board of Governors Responsibilities

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


The Board members are responsible for the preparation and presentation of Karen Technical Training Institute for the Deaf financial statements, which give a true and fair view of the state of affairs of the *Institute* for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Institute, (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 *Institute*, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the *Institute's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The council members are of the opinion that the *Institute's* financial statements give a true and fair view of the state of *Institute's* transactions during the financial year ended June 30, 2023, and of the *Institute's* financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the *Institute*, which have been relied upon in the preparation of the *Institute's* financial statements as well as the adequacy of the systems of internal financial control.

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

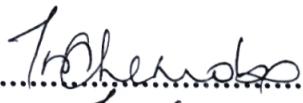
Approval of the financial statements

The *Institute's* financial statements were approved by the Board on 10/6/2023 and signed on its behalf by:


.....
Name **PETER MATURU**

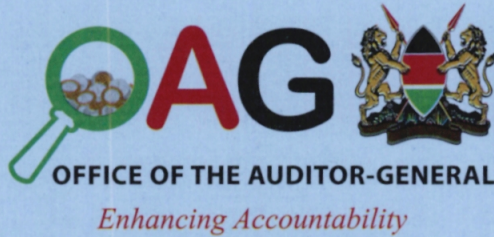
for: **Chairperson of the Board**
Member BOG and Chairman Board
Committee on Planning, Finance &
Resource Mobilization

10/6/2025


.....
Name **TECLA M. CHEMOB**
Accounting Officer/Principal

PRINCIPAL
10 JUN 2025
P. O. Box 24785, NAIROBI
Tel: 0722 677 859

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 KAREN TECHNICAL TRAINING INSTITUTE FOR THE DEAF FOR THE YEAR ENDED 30 JUNE, 2023

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

The accompanying financial statements of Karen Technical Training Institute for the Deaf set out on pages 1 to 30, which comprise the statement of financial position as at

30 June, 2023 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, have been audited on my behalf by Gemal and Company, auditors appointed under Section 23 of the Public Audit Act, 2015. The auditors have duly reported to me the results of their audit and on the basis of their report, I am satisfied that all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit were obtained.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Karen Technical Training Institute for the Deaf as at 30 June, 2023 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 Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Property, Plant and Equipment

The statement of financial position and as disclosed in Note 17 to the financial statements reflects property, plant and equipment with a net book value of Ksh.3,498,004,632 which includes land of an estimated value of Ksh.3,200,000,000 in which the Institute sits. However, the basis of the valuation was not provided. Further, verification of the land allotment indicated that the land is registered under three (3) trustees and is not in the name of the Institute. In addition, it was noted that some of the Institutions buildings and vehicles still in use had been fully depreciated and had not been revalued. The asset register was also not updated and some of the assets had not been tagged.

Further, the statement of cash flows reflects purchase of property, plant, equipment and intangible assets of Kshs.2,363,957. However, Note 17 to the financial statements indicates additions of Kshs.7,243,957 resulting to an unexplained variance of Kshs.4,880,000 that was not supported.

In the circumstances, the accuracy, completeness and existence, of property plant and equipment of Kshs.3,498,004,632 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Karen Technical Training Institute for the Deaf 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 revenue budget and actual on comparable basis of Kshs.168,528,000 and Kshs.134,102,099 respectively resulting to an under funding of Kshs.34,425,901 or 20% of the budget. However, the Institute incurred a total expenditure of Kshs.102,338,848 against actual revenue totalling Kshs.134,102,099 resulting to an under-expenditure of Kshs.31,763,251 or 24% of the actual revenue.

The under-funding and under performance affected the planned activities and may have impacted negatively on service delivery in the Institute.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

The audit report for the year ended 30 June, 2022 raised several unsatisfactory issues in regard to balances reflected in the financial statements, lawfulness and effectiveness in use of resources and effectiveness of internal controls, risk management and governance. However, although Management has indicated some of the issues have been completed, the issues remained unresolved as Parliament has not deliberated on the same.

Other Information

The Management is responsible for the other information set out on page iii to xxviii which comprise of Key Entity Information and Management, The Chairman's statement, Key Management Team, Chairman's Report, Report of the Principal, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board Members, Statement of the Board Members Responsibilities, and Statement of Performance Against Predetermined Objectives). The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Karen technical Training Institute for the Deaf 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 this other information and 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. Irregular Local Travel and Transport Expenditure

The statement of financial performance reflects use of goods and services expenditure totalling Kshs.87,143,824 which includes local transport and travel amount of Kshs.7,387,680. Examination of records provided revealed that an amount totalling Kshs.4,984,560 was incurred as fuel expenses for a vehicle not owned by the Institution. It was noted that the amount was drawn on a weekly basis through a cheque in the name of an officer who then transferred the money to the driver as per requisitions raised. However, the payment vouchers were not supported by Electronic Tax Receipts (ETR) receipts or proof of payments and work tickets were also not maintained to track the details of journeys undertaken on official matters at any given time. In addition, the Institute incurred a total expenditure of Kshs.364,000 for airtime and bundles, however, the Board approval on the rates used was not provided.

In addition, the Institute incurred amounts of Ksh.5,000, Kshs.12,000 and Kshs.51,640 totalling Kshs.68,640 on various dates on airtime and bundles while an officer was paid a daily allowance of Kshs.7,000 in the month of July, 2022 totalling Kshs.28,000 for visiting the bank for the confirmation of bank balances and other transactions. However, evidence of Board approval on the rates used was not provided.

In the circumstances, the propriety, occurrence and completeness of the local transport and travel expenditure totalling Kshs.7,387,680 could not be confirmed.

2. Gaps on Boarding Expenses

The use of goods and services expenditure of Kshs.87,143,824 includes boarding expenses of Kshs.34,960,008 which includes sampled payments of Kshs.1,650,730 for medical supplies, Kshs.7,875,000 for purchase of beef and other payments Kshs.7,927,976. However, review of records provided revealed that procurement of meat, some foodstuffs and medical supplies were done through direct procurement without complying with the conditions for direct procurement as stated in Section 103 of the Public Procurement and Asset Disposal Regulations, 2020. Further, there were no contracts or LPOs issued for the supplies and minutes indicating the reasons for direct procurement method and the criteria for awarding the contracts to the suppliers were not provided.

In addition, minutes of the Ad Hoc Evaluation committee recording the negotiations conducted with the suppliers indicating the price, terms of contract, terms of delivery, scope of work or service were not provided. The payments for supplies of meat, medical supplies and foodstuffs were also not done directly to the suppliers of goods and services but instead a cheque was drawn to the departmental heads and there was no proof of suppliers receiving the cash through ETR receipts. Further, the payments were not supported by LPOs or contracts, delivery notes and the inspection and acceptance certificate or report to confirm that all the deliveries were done.

In the circumstances, the regularity and value for money on the fuel expenditure and use of goods could not be confirmed.

3. Late Remittance of PAYE and Lack of Employees' Signed Code of Conduct

During the year under review, it was noted that PAYE was being remitted late after the stipulated date by the Kenya Revenue Authority (KRA). There were also obligations on the I Tax ledger that remained outstanding since 2019 amounting to Kshs. 276,832. Further, the PAYE returns reflected salaries of Kshs.675,492 while the self-assessment reflected salaries totalling Kshs.717,132 resulting to an unexplained variance of Kshs.41,640 which was caused by a Payment Registration Number that was raised after payment contrary to Section 37(1) Income tax states that stipulates that an employer paying emoluments to an employee shall deduct therefrom and account for tax thereon to such extent and in such manner as may be prescribed. Further, employees' records revealed that employees did not sign the Code of Conduct upon appointment contrary to Section 34(1) of the Legal Notice 54 of 2016 on PSC code of conduct.as evidence of commitment by employees to commit to the Code.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAIs 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 effect 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. Missing Assets

Physical verification carried out on the Institution's assets revealed that, a specialized computer worth Kshs. 150,000 from the Department of Clothing Technology was missing. Further, review of staff individual files, revealed that a security officer of the Institute was involved in missing covers of the drainage and manhole system as well as the above specialized computer. Management did not provided evidence of action taken to recover the same.

In the circumstances, recovery of the missing assets could not be confirmed.

2. Ineffectiveness of the Board of Survey Report and Bank Reconciliation Statements

The board of survey report prepared at the end of the year was only signed by the Finance Officer. Further, the bank reconciliation statements prepared on a monthly basis were not approved by the Accounting Officer.

In the circumstances, the principal of segregation of duties was violated.

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

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Karen Technical Training Institute for the Deaf 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 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 ISSAIs 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

11 June, 2025


Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

14. Statement of Financial Performance for The Year Ended 30 June 2023


Transfers from other National Government entities	6	89,221,325	55,229,379
		89,221,325	55,229,379
Revenue from Exchange transactions			
Rendering of services- fees from students	7	43,785,414	42,608,197
Other income	8	4,113,360	750,800
Revenue from Exchange transactions		47,898,774	43,358,997
Total Revenue		137,120,099	98,588,376
Expenses			
Use of goods and services	9	87,143,824	83,076,402
Employee costs	10	10,488,444	10,183,863
Board Expenses	11	1,843,832	973,712
Depreciation and amortization expense	12	19,610,478	20,142,846
Repairs and maintenance	13	498,791	2,742,125
Total Expenses		119,585,369	117,118,948
Other (Losses)			
Loss on fair value of investments	14	239,800	-
Total Other (Losses)		239,800	-
Net surplus/(deficit) for the year		17,294,930	(18,530,572)

(The notes set out on pages 7 to 31 form an integral part of the Annual Financial Statements).


The Financial Statements set out on pages 1 to 6 were signed by:



PETER MATIJANI
 Chairman of Council/Board
 Member BCR and Chairman Board
 Committee on Planning Finance &
 Resource mobilization
 Date 10/6/2025



WILFRED KIMANI
 Finance Officer
 ICPAK No
 Date



TECLA M. CHIBWE
 Principal

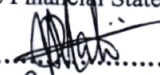
Date
TECHNICAL TRAINING INSTITUTE FOR THE DEAF
PRINCIPAL
10 JUN 2025
 P. O. Box 24785, NAIROBI
 Tel: 0722 677 859

**Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023**

15. Statement of Financial Position as at 30th June 2023

Assets			
Current Assets			
Cash and cash equivalents	15	30,466,076	12,356,974
Inventories	16	2,512,518	1,563,794
Total Current Assets		32,978,594	13,920,768
Non-Current Assets			
Property, plant, and equipment	17	3,498,004,632	3,510,371,153
Biological Assets	18	1,079,200	1,319,000
Total Non-Current Assets		3,499,083,832	3,511,690,153
Total Assets		3,532,062,426	3,525,610,921
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	19	400,000	3,450,000
Total Current Liabilities		400,000	3,450,000
Non-Current Liabilities			
Deferred income	20	-	12,673,425
Total Non- Current liabilities		-	12,673,425
Total Liabilities		400,000	16,123,425
Net Assets			
Capital Reserves		3,526,748,487	3,521,868,487
Accumulated Surplus/(deficit)		4,913,939	(12,380,991)
Total Net Assets		3,531,662,426	3,509,487,496
Total Net Assets and Liabilities		3,532,062,426	3,525,610,921

The Financial Statements set out on pages 1 to 6 were signed by:



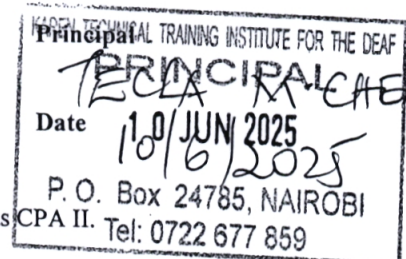
PETER MATURA
 for: Chairman of Board
 Member of Board and Chairman Board
 Committee on Planning, Finance
 & Resource Mobilization
 Date 10/6/2025

Finance Officer
 CPAK No
 Date



Note:

*The Finance Officer is still pursuing his CPA qualification and currently has



**Karen Technical Training Institute for The Deaf
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16. Statement of Changes in Net Asset for The Year Ended 30 June 2023

At July 1, 2021	6,149,581	3,407,751,506	3,413,901,087
(Deficit) for the year	(18,530,572)	-	(18,530,572)
Capital grants received during the year	-	114,116,981	114,116,981
At June 30, 2022	(12,380,991)	3,521,868,487	3,509,487,496
At July 1, 2022	(12,380,991)	3,521,868,487	3,509,487,496
Surplus for the year	17,294,930	-	17,294,930
Capital grants received during the year	-	4,880,000	4,880,000
At June 30, 2023	4,913,939	3,526,748,487	3,531,662,426

Note:

1. The Institute received a donated asset in the form of motor-vehicle valued at Kshs. 4,880,000 included under Note 17 Property, Plant and Equipment from African Development Bank (ADB) and GOK project Phase II.

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

17. Statement of Cash Flows for The Year Ended 30 June 2023

Cash flows from Operating Activities			
Receipts			
Transfers from other National Government entities	6	89,221,325	55,229,379
Rendering of services- fees from students	7	43,785,414	42,608,197
Other income	8	1,095,360	750,800
Total Receipts		134,102,099	98,588,376
Payments			
Use of goods and services		88,124,548	83,426,085
Employee costs	10	10,488,444	10,183,863
Board Expenses	11	1,843,832	973,712
Repairs and maintenance	13	498,791	2,742,125
Total Payments		100,955,615	97,325,785
Net Cash Flows from Operating Activities	21	33,146,484	1,262,591
Cash flows from Investing Activities			
Purchase of property, plant, equipment and intangible assets	17	(2,363,957)	(8,635,815)
Net cash flows used in Investing Activities		(2,363,957)	(8,635,815)
Cash flows from Financing Activities			
Deferred income	20	(12,673,425)	(8,635,815)
Net cash flows used in Financing Activities		(12,673,425)	(8,635,815)
Net Increase/(Decrease) in Cash and Cash equivalents		18,109,102	(15,997,839)
Cash and Cash equivalents at 1 JULY	15	12,356,974	28,354,813
Cash and Cash equivalents at 30 JUNE	15	30,466,076	12,356,974

Note:

The above Statement of Cash Flows has been prepared using the Direct Method as prescribed by PSASB however Other Income Kshs. 1,095,360 (2022: 750,800) and Use of Goods and Services Kshs. 88,124,548 (2022: 83,426,085) do not agree with the amounts on Notes 8 and 9 respectively due to adjustments done for non-cash items and other items as the Statement of Financial Performance is prepared on Accrual basis while the Statement of Cash Flows is on Cash Basis. Please refer to Note 21 on page 23 of the financial statements for the reconciliation of net cash-flows from operating activities.

Karen Technical Training Institute for The Deaf
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18. Statement of Comparison of Budget & Actual amounts for Year Ended 30 June 2023

Transfers from other National Government entities	94,189,000	-	94,189,000	89,221,325	4,967,675	5%
Rendering of services- fees from students	72,741,000	-	72,741,000	43,785,414	28,955,586	40%
Other income*	1,598,000	-	1,598,000	1,095,360	502,640	31%
Total Income	168,528,000	-	168,528,000	134,102,099	34,425,901	20%
Expenses						
Use of goods and services	120,028,000	-	120,028,000	87,143,824	32,884,176	27%
Employee costs	12,000,000	-	12,000,000	10,488,444	1,511,556	13%
Board Expenses	3,500,000	-	3,500,000	1,843,832	1,656,168	47%
Repairs and maintenance	10,000,000	-	10,000,000	498,791	9,501,209	95%
Grants and subsidies	13,000,000	-	13,000,000	-	13,000,000	100%
Capital Expenditure	10,000,000	-	10,000,000	2,363,957	7,636,043	76%
Total Expenditure	168,528,000	-	168,528,000	102,338,848	66,189,152	39%
Surplus for the Year	-	-	-	31,763,251		

Budget Notes:

1. There were no changes between original and final budget during the year.
2. Under-absorption of budgeted incomes and expenditures was due to lack of sufficient government funding during the FY2022/2023. The increase in the number of students does not commensurate with Government funding.
3. While the Institute's financial statements show a surplus of Kshs. 31,763,251 there were delays in disbursements by GOK causing overlap in expenditure during the year.
4. **Other income*** – the actual amount on comparable basis (Kshs. 1,095,360) in the budget does not agree with the amount in the State of Financial Performance (Kshs. 4,113,360). The variance of Kshs. 3,018,000 is as a result of reversal of accrual of prior year audit fees which is a non-cash item.
5. Surplus for the year on the Statement of Comparison of Budget & Actual amounts does not agree with the amount shown on the Statement of the Financial Performances due to the following reconciling items:

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Annual Report and Financial Statements for the year ended 30th June 2023

Surplus for the period	Amount
As per Budget	31,763,251
As Statement of Financial Performance	17,294,930
Variance	14,468,321
Reconciling items:	
Depreciation expense	19,384,129
Reversal of prior year accrued audit fees	(3,018,000)
Fair value loss on biological assets	239,800
Capital expenditure on Note 17 PPE	(2,363,957)
Total	14,468,321

19. Notes to the Financial Statements

1. General Information

Karen Technical Training Institute for the Deaf is established by and derives its authority and accountability from the TVET Act of 2013. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is the provision of Technical, Vocational Education and Training to Students with Special Needs (Deaf) in Kenya.

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 Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Institute. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the TVET Act of 2013 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2023.

Standard	Effective Date and Impact
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Institute's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Institute's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>The standard has no impact on these financial statements.</i></p>
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Institute provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> (a) The nature of such social benefits provided by the Institute. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Institute's financial performance, financial position and cash flows. <p><i>The standard has no impact on these financial statements.</i></p>
Amendments to Other IPSAS	<p>Applicable: 1st January 2023:</p>

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Standard	Effective date and impact
<p>resulting from IPSAS 41, Financial Instruments</p>	<p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p><i>The standard has no impact on these financial statements.</i></p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008). • 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 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <p><i>The standard has no impact on these financial statements.</i></p>

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.

<p>IPSAS 43</p>	<p>Applicable 1st January 2025</p> <p>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 Institute.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>The standard has no impact on these financial statements.</i></p>
<p>IPSAS 44: Non- Current Assets Held for Sale and</p>	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p>

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Discontinued Operations	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. <i>The standard has no impact on these financial statements.</i>
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iii. Early adoption of standards

Karen Technical Institute for the Deaf did not early-adopt any new or amended standards in year 2023.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Institute and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

Recurrent grants are recognized in the statement of financial performance. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Institute 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.

The Institute recognises Student Fees and Charges in the year in which the service is provided to the student. Students' fees and charges received that relate to the service rendered in the future period are treated as income in advance.

Other Income

Other income represents miscellaneous receipts not derived from the core business and it is recognised when earned.

b) Budget information

The original budget for FY 2022/2023 was approved by the Board on **14 July 2022**. There were no subsequent revisions or additional appropriations made to the approved budget.

The Institute'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 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.

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Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

b) Budget information (Continued)

A statement to reconcile the actual amounts on a comparable basis included in the Statement of Comparison of Budget and Actual amounts and the actuals as per the Statement of Financial Performance has been presented on page 6 under section 18 of these financial statements.

c) Taxes

Current income tax

The Institute is exempt from paying income tax as per Section 219 (3) of the PFM Act regulations 2015, the Cabinet Secretary National Treasury has exempted TVETs from payment of income tax of which the Institute is in that category.

Value Added Tax

Expenses and assets are recognized including the amount of Value Added Tax.

d) 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 or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Institute 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. The Institute charges full depreciation on all its non-current assets in the year of purchase and no depreciation in the year of disposal. The Institute uses reducing balance method of depreciation.

The following depreciation rates are applied to Property, Plant and Equipment.

Description	Rate of Depreciation
• Land	Nil
• Building	2.5%
• Computers & Electronics	33.3%
• Furniture & Fittings	12.5%
• Plant, Property & Equipment	12.5%
• Motor Vehicles	25%

Work in Progress is only capitalized on completion or commissioning of the asset.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

e) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Institute does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Institute's financial statements. A financial instrument is any contract that gives rise to a financial asset of one Institute and a financial liability or equity instrument of another. At initial recognition, the Institute measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The Institute classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the Institute's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an Institute has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Institute classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in

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profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

c) Financial instruments (Continued)

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Institute manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Impairment

The Institute assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Institute recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The Institute classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

Notes to the Financial Statements (Continued)
Summary of Significant Accounting Policies (Continued)

d) 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*.

e) Provisions

Provisions are recognized when the *Institute* 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 *Institute* 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 *Institute* 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 *Institute* 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 *Institute* in the notes to the financial statements. Contingent

Karen Technical Training Institute for The Deaf
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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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Provisions (Continued)

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.

f) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The Institute recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the Institute will incur in fulfilling the present obligations represented by the liability.

g) Nature and purpose of reserves

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

h) Changes in accounting policies and estimates

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

i) Employee benefits

Retirement benefit plans

The Institute does not have a defined contribution scheme in place, it however contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Institute's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 1,080 per employee per month. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

j) Related parties

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

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

l) Comparative figures

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

m) 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, 2023.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Institute'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 Institute 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 Institute. 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 *Institute*.
- 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.

(Include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023
Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

6. Transfers from other National Government entities		
Unconditional Grants		
GOK Capitation Grants	7,275,000	6,645,000
Operational Grant – Recurrent	68,445,000	39,612,765
Other Grants – Ministry of Education	827,900	335,799
Development Grant	12,673,425	8,635,815
Total unconditional Grants	89,221,325	55,229,379

(a) Transfers from other Government entities (Categorized)

(a) Transfers from other Government entities (Categorized)					
State Department for Vocational and Technical Training	76,547,900	12,673,425	-	89,221,325	55,229,379
Total	76,547,900	12,673,425	-	89,221,325	55,229,379

7. Rendering of Services – fees from Students

7. Rendering of Services – fees from Students		
School, Equipment & Stationaries (SES) TUTION	14,480,339	15,023,810
Boarding Equipment & Stores (BES)	16,119,265	15,560,805
Medical	447,510	428,500
Activities	1,930,660	1,766,663
Library	1,017,540	921,920
Contingencies	415,354	314,470
Student identity card	97,420	70,010
Industrial attachment	359,700	126,000
PTA Development projects	2,587,764	2,291,406
Practical training materials	3,893,020	3,920,320
Students governing council	202,010	242,063
Application form	137,270	113,480
Local transport and Travel	319,030	256,580
Electricity, Water and Conservancy (EWC)	978,892	862,720
Repairs, maintenance & improvements	799,640	709,450
Total Revenue Rendering of Services	43,785,414	42,608,197

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023
Notes to the Financial Statements (Continued)

8. Other Income

Rental revenue from facilities and equipment	1,009,831	750,800
Personal emoluments	5,029	
Bank charges	1,500	-
Tender fees	79,000	-
Reversal of prior year audit fees	3,018,000	-
Total Other Income	4,113,360	750,800

Note:

In the Financial Statements for FY 2021/2022 the Institute's books included an accrual of Kshs. 3,450,000 relating to audit fees for the FY 2018/2019, 2019/2020 and 2020/2021 for which a reversal of Kshs. 3,018,000 has been subsequently carried out to correct the books. The amount is a non-cash item and recognised as other income in the financial statements.

9. Use of Goods and Services

Electricity, Water and Conservancy (EWC)	7,371,078	6,382,541
Advertising - marketing services	323,950	389,600
SES Tuition	13,498,708	13,721,457
Boarding (BES)	34,960,088	33,313,916
Local transport & travel	7,387,680	7,009,646
Medical	1,555,662	2,246,010
Activities	3,665,745	1,031,723
Library	60,920	142,480
Contingencies	92,944	488,030
Industrial attachment	-	152,500
P TA development projects	3,296,050	3,419,706
Practical training materials	4,061,734	3,046,625
Students governing council	136,240	57,251
Security reinforcements	2,234,500	2,409,200
Performance contract 2020/2021	1,484,015	1,713,619
Staff development, KATTI and CAPA events	6,192,900	5,950,159
Generator	16,800	147,680
ICT infrastructure developments	282,583	742,183
Tender	20,000	-
Bank charges	356,327	371,492
Implementation - MOH Covid 19 Protocols	131,900	-
Safety measures	-	89,784
Income generating activities - farm inputs	-	30,000
Audit fees	204,000	200,000
Total good and services	87,143,824	83,076,402

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

10. Employee Costs

Salaries and wages	8,596,554	8,616,663
Social contributions (NHIF and NSSF)	610,290	345,600
Housing benefits and allowances	1,101,600	1,041,600
Performance and other bonuses	180,000	180,000
Total Employee Costs	10,488,444	10,183,863

11. Board Expenses

Board allowances	955,336	973,712
Board induction	888,496	-
Total Board Expenses	1,843,832	973,712

12. Depreciation Expense

Property, plant and equipment	19,610,478	20,142,846
Total Depreciation Expense	19,610,478	20,142,846

13. Repairs and Maintenance

Repairs, maintenance & improvements	498,791	2,742,125
Total Repairs and Maintenance	498,791	2,742,125

14. (Loss) on Fair Value Investments

Fair value arising from Biological assets	239,800	-
Total (loss) on Fair Value Investments	239,800	-

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023
Notes to the Financial Statements (Continued)

15. Cash and Cash Equivalents

	2023	2022
Current Account	30,453,829	12,348,727
Cash in Hand	12,247	8,247
Total Cash and Cash Equivalents	30,466,076	12,356,974

15 (a). Detailed Analysis of Cash and Cash equivalents

		2023	2022
a) Current Account			
National Bank of Kenya	01003002830300	26,480,251	2,282,569
National Bank of Kenya	01003002830301	3,385,875	5,261,855
ABSA Bank of Kenya	1228336	587,704	4,804,303
Sub -Total		30,453,829	12,348,727
Cash in Hand		12,247	8,247
Sub -Total		12,247	8,247
Grand Total		30,466,076	12,356,974

16. Inventories

	2023	2022
School, Equipment & Stationaries (SES)	1,474,656	1,043,585
Cleaning materials	446,724	280,515
Catering stores	496,070	239,694
Medical consumables	95,068	-
Total Inventories at lower of Cost and Net Realizable Value	2,512,518	1,563,794

**Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023**

Notes to the Financial Statements (Continued)

17. Property, Plant and Equipment

At 1 July 2021	3,200,000,000	206,421,306	9,657,550	6,947,200	2,558,000	15,865,005	5,681,555	3,447,130,616
Additions	-	5,046,715	-	3,589,100	-	114,116,981	-	122,752,796
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments		5,681,555					(5,681,555)	
At 30th June 2022	3,200,000,000	217,149,576	9,657,550	10,536,300	2,558,000	129,981,986	-	3,569,883,412
Additions	-	1,403,957	4,880,000	530,000	430,000	-	-	7,243,957
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
At 30th June 2023	3,200,000,000	218,553,533	14,537,550	11,066,300	2,988,000	129,981,986	-	3,577,127,369
Depreciation And Impairment								
At 1 Jun 2021	-	5,160,533	9,657,550	6,260,325	2,426,000	15,865,005	-	39,369,413
Depreciation	-	5,299,726	-	534,497	44,000	14,264,623	-	20,142,846
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2022	-	10,460,259	9,657,550	6,794,822	2,470,000	30,129,628	-	59,512,259
Depreciation		5,202,332	1,220,000	533,935	172,667	12,481,545	-	19,610,478
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
At 30th Jun 2023	-	15,662,591	10,877,550	7,262,507	2,517,667	42,611,173	-	78,896,388
Net Book Values								
At 30th Jun 2022	3,200,000,000	206,689,317	-	3,741,478	88,000	99,852,358	-	3,510,371,153
At 30th Jun 2023	3,200,000,000	201,522,084	3,660,000	3,273,793	95,333	87,370,813	-	3,498,004,632

NOTE: The addition to Motor Vehicle for the Year ended 30th June 2023 Kshs.4,880,000 related to donation of Motor Vehicle KDK011P value did not involve the movement of Cash, therefore, not recognised in the Cashflow Statement.

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

Valuation

The Institute's land is estimated at value of Kshs. 80m per acre (40acres at Kshs. 3.2billion). The Institution is yet to obtain a professional valuer to ascertain the value of the land. Once the valuation is done then the exact market value shall be included in the subsequent financial years.

17 (b) Property, Plant and Equipment at Cost

All assets were stated on the historical cost basis as per Note 17 above.

18. Biological Assets

At start of the year	1,319,000	1,330,200
Fair value (loss) on Biological assets	(239,800)	(11,200)
At end of the year	1,079,200	1,319,000

18 (a) Detailed Breakdown of Biological Assets

Cows	851,000	1,120,000
Goats	75,000	80,000
Poultry	153,200	119,000
Total	1,079,200	1,319,000

Biological assets are stated at their market value as at the year ended 30 June 2023.

19. Trade and Other Payables

Audit fees – Accrual	400,000	3,450,000		
Total Trade and Other Payables	400,000	3,450,000		
Ageing analysis:	2023	% of the Total	2022	% of the Total
Under one year	200,000	50%	200,000	6%
1-2 years	200,000	50%	3,250,000	94%
Total (to tie to totals above)	400,000	100%	3,450,000	100%

*Prior year amount relates to accrual for audit fees for the years 2018/2019, 2019/2020, 2020/2021 totalling to Kshs. 3,250,000. For the FY2021/2022 the Institution accrued Audit fees amounting to Kshs. 200,000.

During the FY 2022/2023 Management reversed accruals for the FY 2018/2019, 2019/2020 and 2020/2021 after making payments amounting to Kshs. 882,000.

Karen Technical Training Institute for The Deaf
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20. Deferred Income

National Government	-	12,673,425
Total Deferred Income	-	12,673,425

The deferred income movement is as follows:

	Kshs	Kshs
Balance brought forward	12,673,425	12,673,425
Additions during the year	-	-
Transfers to capital fund	-	-
Transfers to income statement	(12,673,425)	-
Other transfers	-	-
Balance carried forward	-	12,673,425

Management utilised deferred income from FY 2021/2022 and the amount is now recognised in the Statement of Financial Performance for the year.

21. Cash generated from operations.

Surplus/(deficit) for the year	17,294,930	(18,530,572)
Adjusted for:		
Depreciation		
Fair value loss in biological assets	19,610,478	20,142,846
	239,800	
Working Capital Adjustments		
(Increase)/Decrease in Inventory	(948,724)	100,317
(Decrease) in Payables	(3,050,000)	(450,000)
Net Cash Flow from Operating Activities	33,146,484	1,262,591

22. Financial Risk Management

The Institute's activities expose it to a variety of financial risks including credit, liquidity risk and market risk. The Institute's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

Notes to the Financial Statements (Continued)

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

(i) Credit risk

The Institute 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.

The Institute's credit risk is primarily attributable to deposits with banks, however the risk is not significant since the Institute's banks are reputable institutions.

The Board members set the Institute's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Institute's management based on prior experience and their assessment of the current economic environment.

(ii) Liquidity risk management

Liquidity risk is the risk that the Institute will not have sufficient financial resources to meet its obligations as they fall due or will have to do so at excessive costs. This arises due to the mismatching of the timing of cash flows from revenue and capital/operational outflows.

Ultimate responsibility for liquidity risk management rests with the Institute's board, who have built an appropriate liquidity risk management framework for the management of the Institute's short,

Notes to the Financial Statements (Continued)

Financial risk management (Continued)

(ii) Liquidity risk management (Continued)

medium and long-term funding and liquidity management requirements. The Institute manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The Institute is a government funded institution and faces the risk of delayed/inadequate funding.

The table below represents cash flows payable by the Institute 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.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2022				
Trade Payables	200,000	-	3,250,000	3,450,000
Deferred Income	-	-	12,673,425	12,673,425

Karen Technical Training Institute for The Deaf
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Total	200,000	-	15,923,425	16,123,425
At 30 June 2023				
Trade Payables	200,000	-	200,000	400,000
Deferred Income	-	-	-	-
Total	200,000	-	200,000	400,000

(iii) Market risk

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 Institute'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 optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Institute'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 Institute's exposure to market risks or the manner in which it manages and measures the risk.

a) Interest rate risk

Interest rate risk is the risk that the Institute's financial condition may be adversely affected as a result of changes in interest rate levels. The company's interest rate risk arises from bank deposits. This exposes the company to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the company's deposits.

Notes to the Financial Statements (Continued)

Financial risk management (continued)

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

b) Foreign currency risk

The risk is minimal as cash and cash equivalents held with banks are denominated in Kenya Shillings.

iv) Capital Risk Management

The objective of the Institute's capital risk management is to safeguard the Institute's ability to continue as a going concern.

Karen Technical Training Institute for The Deaf
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23. Related Party Balances

Nature of related party relationships

Entities and other parties related to the Institute 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 *Institute*, holding 100% of the *Institute*'s equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the *Institute*, 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

Transactions with Related Parties		
a) Grants /Transfers from the Government		
Grants from National Government	89,221,325	55,229,379
Total	89,221,325	55,229,379
b) Key Management Compensation		
Directors' emoluments	1,843,832	973,712
Total	1,843,832	973,712

24. Events After the Reporting Period

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

Notes to the Financial Statements (Continued)

25. Ultimate and Holding Institute

The Institute is a Technical and Vocational Education and Training (TVET) under the Ministry of Education, State Department of Vocational Education and Technical Training. Its ultimate parent is the Government of Kenya.

26. Currency

The financial statements are presented in Kenya Shillings (Kshs) and the values are rounded off to the nearest shilling.

Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

[Redacted Header]				
OAG/KTTID/2021/2022/(26)	<p>Anomalies Property, Plant and Equipment balance The Statement of Financial Position reflects a balance of Kshs. 3,510,371,153 for Property, Plant and Equipment in Note 17. Included in the balance was a parcel of land with an estimated market value of Kshs. 3,200,000,000 whose ownership documents were in the name of three trustees and not in the Institute's name. The value for land is also not supported with a valuation report. The land is also not well fenced off and had been encroached despite the Principal having written to the Principal Secretary for State Department for Vocational and Technical Training requesting for funds to erect a perimeter wall. Other assets such as motor vehicles, plant and equipment and computers were fully depreciated. The ownership, accuracy and existence of property, plant and equipment balance of Kshs. 3,510,371,153 could not be confirmed.</p>	<p>The Institute commits to undertake a comprehensive exercise of valuation of all assets including land and buildings once funds are made available.</p> <p>The Principal has written to the Ministry of Education, State Department of Vocational and Technical Training requesting for funding to support the construction of a perimeter wall along its boundary and incorporate the related security system to reduce land encroachment.</p>	Not resolved	Not conclusive

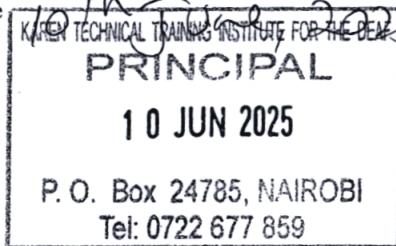
**Karen Technical Training Institute for The Deaf
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Guidance Notes:

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

.....*Tecla M. Chemobo*.....

Tecla M. Chemobo
Accounting Officer
Principal
Date Name



Karen Technical Training Institute for The Deaf
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Appendix II: Projects Implemented by Karen Technical Training Institute for the Deaf

Projects

During the financial year there were no new projects implemented by Development Partners.

**Karen Technical Training Institute for The Deaf
Annual Report and Financial Statements for the year ended 30th June 2023**

Appendix III- Inter-Institute Confirmation Letter

Karen Technical Training Institute for the Deaf

The State Department of Vocational and Technical wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Karen Technical Training Institute for the Deaf as at 30 th June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by State Department of Vocational and Technical (Kshs) as at 30th June 2023				Amount Received by KTTID (Kshs) as at 30 th June 2023 (E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
R/No. 6300	22.08.2022	13,750,000	-	-	13,750,000	13,750,000	-
R/No. 25561	15.11.2022	13,750,000	-	-	13,750,000	13,750,000	-
R/No. 25656	07.12.2022	660,000	-	-	660,000	660,000	-
R/No. 25652	25.01.2023	13,750,000	-	-	13,750,000	13,750,000	-
R/No. 25653	23.03.2023	13,445,000	-	-	13,445,000	13,445,000	-
R/No. 25654	06.06.2023	13,750,000	-	-	13,750,000	13,750,000	-
R/No. 25655	27.06.2023	7,275,000	-	-	7,275,000	7,275,000	-
R/No. 25657	16.06.2023	167,900	-	-	167,900	167,900	-
		-	12,673,425	-	12,673,425	12,673,425	-
Total		76,547,900	12,673,425	-	89,221,325	89,221,325	-

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accountants department of beneficiary Institute:

Name SignDate

TECLA N. CHEMBO
 KAREN TECHNICAL TRAINING INSTITUTE FOR THE DEAF
 PRINCIPAL
 10 JUN 2025
 10/6/2025
 P. O. Box 24785, NAIROBI
 Tel: 0722 677 859

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