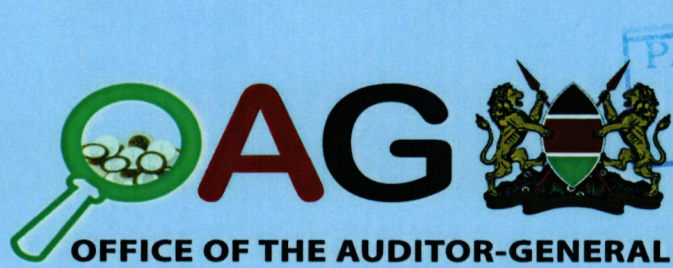



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THE AUDITOR-GENERAL

ON

**ST JOSEPH'S TECHNICAL INSTITUTE
FOR THE DEAF**

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



**International Public Sector Accounting Standards (IPSAS)
Annual Financial Reporting Template for
*Technical Vocational Education Training (TVET) Institutions, National Polytechnics and
Teacher Training Colleges***

ST JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF.

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

St. Joseph's Technical Institute, Nyang'oma was started in 1965 by Franciscan Sisters of St. Anna. It was officially blessed on 14th November 1972 and registered by the Ministry of Education.

The Institution was started to cater for children who are deaf completing primary education at a primary school also managed by Franciscan Sisters of St. Anna Congregation within Nyang'oma complex. The Dutch sisters who founded the congregation saw the need of training these young boys on technical and practical skills that would enable them to be self-reliant as is reflected in the motto and thus have a better and sustainable future.

At its inception, the Institution faced the challenge of qualified local skills for special education in technical skills among sisters and in the country in general. The institution therefore relied mainly on expatriates' staff to teach the students. When this practice was no longer sustainable, the sister with the assistance of Fr. Van Ouderaa, the then parish priest of Nyang'oma Catholic Mission, identified and invited African Religious brothers (Brothers of St. Charles Lwanga) to assist in the technical teaching and who later took over the management of the institution.

The school progressed and developed into a technical institute, a status it holds to the present day and was registered in 1972 with the Ministry of Education as a Public Institution. In the year 2008 the Franciscan Sisters of St. Anna took back the management of the institution in response to the Ministry of Education call that all institutions administration be managed by qualified personnel. The institute was later transferred to the department of Education science and Technology under TVET Authority as one of the Technical Training Institutions.

In the course of time, the institute has upgraded its courses from Trade Test courses to a higher level Artisan, Craft and Diploma courses. These necessitated new registration requirements which were met. To prepare our students for the fast evolving world out there, the institute in 2009 introduced computer training at diploma level. Later, the Institute started inclusive education programme that gears towards mainstreaming people with disabilities into the general society. This programme is particularly encouraged and advocated for by the government as a vehicle of mainstreaming the skilled disabled persons into the general labour market smoothly.

The Institute is fed by a big and growing catchment area beyond the original primary school for the deaf started by the sisters. Presently, students come from all over the country and beyond. In fact, there are a number of students from the neighbouring country Uganda.

(b) Principal Activities

The principal activity of St. Joseph Technical institute for the deaf is to implement the government technical education programme and curriculum that equip learners with hearing impairment, with technical knowledge, skills and attitude for self-reliance. This core mandate is expected to be realised by the institution in a self-sustaining manner. The implementation of this mandate is driven by four key core functions.

Functions and objectives of St. Joseph Technical Training Institute for the Deaf.

- To implement technical education programme. (curriculum)
- To provide training opportunities learners with hearing impairment.
- To provide skills for self-reliance learners with hearing impairment.
- To provide alternative source of income to the institution.

In its endeavours to realise its mandate and implement its core values, St. Joseph Technical Institute for the Deaf is guided by a clearly articulated vision, mission statement, and core values. These were developed through a participatory process by all the key stakeholders and have been regularly reviewed to reflect the evolving mandate of the institute and the volatile social, economic and technological environment impacting the institute.

Vision, Mission and Core Values

Vision

To be a global centre for modern technology for learners with emphasis on learners with hearing impairment.

Mission

To equip learners with hearing impairment with technical knowledge, skills and attitude for self-reliance.

Core Values

- Fear of God.
- Professionalism.
- Integrity and Honesty.
- Tolerance and Empathy.
- Responsibility.
- Peace and Unity.
- Respect and Courtesy.

Motto: Education for Self Reliance.

Quality Policy

As an institution St Joseph's Technical Institute for the deaf is committed to providing affordable, accessible, and sustainable and quality training by ensuring our services are effective and efficient and meet the customer needs and expectations. St Joseph's Technical Institute for the deaf is committed to complying with requirements of ISO 9001:2008 Quality Management Systems. To achieve this, the institute has established Quality Objectives which shall be reviewed from time to time for continuous improvement.

ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

The key Quality Objectives seek to: -

- I. Achieve and maintain a level of quality training which enhance the institutions' reputation with customers.
- II. Ensure compliance with the TVET Act 2013 and other relevant statutory and safety requirements.
- III. Endeavour to always maximize customer satisfaction with services provided by St Joseph's Technical Institute for the deaf.

(c) Key Management

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

- Board of Governors
- Accounting officer
- Deputy Principal
- Registrar
- Dean of Students

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30 June, 2020 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Sr. Celestine Mangiti
2.	Deputy Principal (Administration)	Mr. Michael Odhiambo
3.	Deputy Principal (Academics)	Mr. Dedan Jagero
4.	Registrar	Mr. Stephen Apel
5.	Dean of Students	Mr. Daniel Owiti
6.	Finance Officer	Felix Onyango
7.	Procurement Officer	Rahel Akoth Rabet
8.	Human Resource Officer	Castro Alphonse Okumu

(e) Fiduciary Oversight Arrangements

The institute is answerable to key government organs on Financial Management and is from time to time oversighted with the following committees for compliance;

- Discipline & Academic Committee
- Finance & Administration Committee
- Audit Risk & Governance committee

KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Entity Headquarters

St. Joseph's Technical Institute for the deaf – Nyang'oma
P.O. Box 33-40601
Off Bondo – Usenge Road
Bondo, KENYA

(g) Entity Contacts

Telephone : (254) 0731255167
E-mail: nyangomajoseph@gmail.com
Website: www.stjosephtechnical.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Oginga Odinga Road
P.O Box 17-40100
Kisumu, Kenya

(i) Independent Auditors

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

(j) Principal Legal Adviser

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

2. THE BOARD OF GOVERNORS



Sr. Zipporah was born in 1972. She is a holder of Bachelor of Commerce (Human Resource Management). Currently, she is the administrator of Ukweli Pastoral Centre Kisumu. She is an experienced administrator successful in project implementation and system administration.

Sr. Zipporah Kerubo Ogalo.

- Masters in Business Administration.
- Bachelor of Commerce.
- **Chairperson.**



Mr. Oyucho was born on 11th March, 1980. He is a holder of Bachelor of Education (Arts). Mr. Oyucho is the Branch Manager Co-operative Bank of Kenya, Kisumu Branch, a position he has served for a period of six years.

Mr. William Stephen Oyucho.




- Bachelors of Education (Arts).
- Member



Ms. Ondego was born in 1962. She is a holder of Masters in Business Administration. She is currently working at County Executive Committee Members for water, irrigation, natural resources and energy.

Sarah Salome Ondego.

- Masters in Business Administration.
- Member

 <p>Mr. Paul Siaya.</p> <ul style="list-style-type: none"> • Diploma in Technical Education. • Member 	<p>Mr. Siaya was born in 1960. He is a Diploma holder in Technical Education. He is currently working with the Starkey Hearing Foundation. He is specialized in handling people with Hearing Impairment.</p>
 <p>Eng. Rosalia Soita.</p> <ul style="list-style-type: none"> • Bachelors of Technology Civil and Structural Engineering. • Member 	<p>Eng. Soita was born on 24th March, 1977. She is a holder of Bachelor of Technology Civil and Structural Engineering. She is an experienced Engineer serving at Lake Victoria Water Services Board. She has been a committed member of the Board of St. Joseph's.</p>
 <p>Ann Kemunto Iyoga</p> <ul style="list-style-type: none"> • Master Degree in Information Technology Management. • Member 	<p>Ms. Kemunto was born on 13th March, 1981. She is a holder of Master Degree in Information Technology Management. She is currently pursuing her PhD in IT at JKUAT. She is a part time lecturer.</p>



Mr. Kennedy Odongo Rombo.

- Diploma in Architecture.
- Member

Mr. Rombo was born on 31st December, 1963. He is a holder of Diploma in Architecture. He is currently an Architect and the Principal Consultant at Belfast Technical Services. He was the Chairperson of the outgoing Board of Governors. He has excellent Managerial and leadership skills.



Sr. Celestine Mangiti.

- Masters in Guidance & Counselling Psychology.
- BED. English/Literature.
- Principal/Secretary Board

Sr. Celestine Mangiti was born on 24th February, 1963. She is currently the Principal of St. Joseph's Technical Institute for the Deaf and consequently the secretary to the institution's Board of Governor. She has a wealth of experience in administration having worked at that level for the last twenty years in various learning institutions as a principal and held leadership positions in various organisations. She attained her undergraduate degree in B.E.D at Kenyatta University and M.A Psychology from the Catholic University of Eastern Africa.

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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THE BOARD OF GOVERNORS COMMITTEES

Name of the Committee	Members
Discipline & Academic Committee	1. Paul Siaya - Chairman 2. Eng. Rosalia Soita - Member 3. Ms. Ann Kemunto - Member 4. Sr. Celestine Mangiti – Secretary
Finance & Administration Committee	1. Steve Oyucho – Chairman 2. Mrs. Sarah Ondego - Member 3. Mr. Kennedy Odongo – Member 4. Sr. Celestine Mangiti – Secretary
Audit Risk & Governance committee	1. Mr. Kennedy Odongo – Chairman 2. Eng. Rosalia Soita - Member 3. Internal Auditor - Secretary

The number of Board meetings held during the financial year 2019/2020 and the attendance to those meetings by members is as shown below.

BOARD MEMBER	MEETING ATTENDANCE		
	23 RD AUG 2019	24 TH SEP 2019	31 ST JAN 2020
Sr. Zipporah Kerubo	Present	Present	Present
Sr. Celestine Mangiti	Present	Present	Present
Mr. Oyucho William Steve	Present	Present	Present
Sarah Salome	Present	Absent	Present
Paul Siaya	Absent	Present	Present
Eng. Rosaria Soita	Absent	Absent	Present
Anne Kemunto Iyoga	Presentt	Presentt	Presentt
Mr. Rombo Kennedy Odongo	Present	Present	Present




Fer **Sr. Zipporah Kerubo**
BOG chair

Sr. Celestine Mangiti
Principal


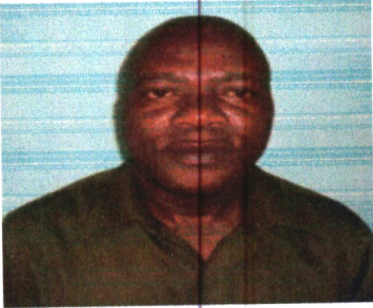

ST. JOSEPH'S TECHNICAL INSTITUTE
FOR THE DEAF NYANG'OMA
P. O. BOX 33, BONDO

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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3. MANAGEMENT TEAM

PHOTO	NAME	DESEIGNATION	QUALIFICATIONS.
	Sr. Celestine Mangiti	Principal	.Masters In Guidance & Counselling Psychology. BED. English/ Literature
	MR. Odhiambo Michael Odhiambo	Deputy Principal Administration	BED TED Electrical And Electronics
	Mr. Didan Jagero	Deputy Principal Academics	BED TED power mechanics and technology

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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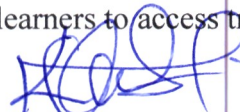
	<p>Mr. Stephen Ochieng Apel</p>	<p>Registrar</p>	<p>BED TECH (Electrical Engineering)</p>
	<p>Mr. Daniel Owiti Omoro</p>	<p>Dean Of Students</p>	<p>BED TED Electrical Power</p>
	<p>Mr. Felix Otieno Onyango</p>	<p>Finance Officer</p>	<p>Degree in Business Management. (Banking and Finance) CPA K.</p>
	<p>Rahel Rabet Akoth</p>	<p>Procurement Officer</p>	<p>Diploma in Purchasing and Supply Management</p>
	<p>Mr. Castro Alphonse Okumu.</p>	<p>Human Resource Officer</p>	<p>Higher National Diploma in Human Resource Management. Diploma in Technical Teacher Education.</p>

4. CHAIRMAN'S STATEMENT

St. Joseph's Technical Institute for the Deaf-Nyangoma is one of the technical institutes in Kenya under the Ministry of Education state department of Technical and Vocational Education Training (TVET). The institute has a functional Board of Governors whose core duty is to enable the institute realise its core Mission and Vision, by being a global centre for modern technology for learners and to equip learners with hearing and hearing impaired with technical knowledge, skills and attitude for self-reliance.

The Board of Governors has come up with academic policies, finance policies, procurement and human resource policies to enable in smooth running of the institute by the management. Some of the key challenges the Board is facing is full implementation of Technical and Vocational Education Training (TVET) Acts, fee collection as a result of government policies on capitation which isn't remitted on time to enable smooth operation of the institute's activities.

The Board of Governors intend to increase its operation by opening Got-Ramogi campus for more learners to access training in different courses of their interest for self-reliance.


Sr. Zipporah Kerubo

BOG chair.

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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5. REPORT OF THE PRINCIPAL

As a technical training institute, St. Josephs Nyang'oma is well placed to provide adequate and relevant knowledge to its trainees who majorly are hearing impaired to enable them to graduate as skilled individuals who have a positive impact in the society despite challenge they face in their daily livelihood.

During the training of our students, the institute factors in the role of technical and vocational training colleges towards the achievement of the countries vision 2030 and the Governments Big Four Agenda and all the presidential directives as they are released.

In the course of undertaking our core mandate, we have consistently reviewed our academic programs and managerial systems to ensure that they are competitive in terms of quality, reliability and relevance.

The Board of Governors has put a lot of effort in setting up systems, structures policies and guidelines that assist in the attainment of the institute's strategic objectives and ease flow of work while still adhering to the standards set by the law.

ENROLMENT

The institution admitted 104 new students during January 2020 intake. The summary of student enrolment as at 30th June 2020 is as shown in the table below.

Population table for the financial year 2019/2020

SR NO.	DEPARTMENT	MALE		FEMALE		TOTAL
		H	HI	H	HI	
01	MECHANICAL ENGINEERING	10	3	0	0	13
02	AUTOMOTIVE ENGINEERING	33	4	1	0	38
03	BUILDING TECHNOLOGY (MASONRY)	66	21	13	0	100
04	BUILDING TECHNOLOGY (PLUMBING)	40	9	11	0	60
05	BUILDING TECHNOLOGY (CARPENTRY)	0	5	0	0	5
06	ELECTRICAL ENGINEERING	69	15	26	1	111
07	CLOTHING TECHNOLOGY	0	1	47	10	58
08	COMPUTER STUDIES/ICT	7	2	37	4	50
09	HAIRDRESSING AND BEAUTY THERAPY	2	0	56	22	80
10	KENYA SIGN LANGUAGE	4	0	16	0	20
11	FOOD AND BEVERAGE	4	1	53	4	62
	TOTAL	235	61	260	41	597

N/B

H – Hearing

HI – Hearing Impaired.

During the July/August and November/December 2019 series, the institution presented candidates for both the NITA and KNEC exams at all levels. The results for both KNEC and NITA have been released and the summary is as shown in the table below.

EXAM BODY	SERIES	NO. OF CANDIDATES	% PASS
KNEC	July 2019	163	46.63
NITA	August 2019	38	100.00
KNEC	November 2019	256	49.22
NITA	December 2019	56	96.43

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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Capacity Building for staff/Board of Governors.

On 11th November, 2019 to 16th November, 2019 one staff from the performance contract department attended the National Cohesion and Values training held in Mombasa at the Kenya School of Government.

Research and Innovation.

REPORT ON THE ROBOTIC TRAINING AT THE NAGASAKI UNIVERSITY IN JAPAN BETWEEN 30TH NOVEMBER TO 10TH DECEMBER 2019

After the 9th National Science Week Robotic competition held on 5th - 9th August 2019 the best three teams together with St Joseph's Nyangoma Institute for the Deaf were invited for a robotic training at the Nagasaki University. Out of the four invited teams only three teams managed to attend the training. This Kenyan delegation to Nagasaki, Japan, was headed by Eng. Elisha Ndinya Abeka from the Directorate of TVET, Ministry of Education and Madam Yukie Saito from JICA. The team members were:

1. Eng Elisha Ndinya Abeka - Ministry of Education
2. Madam Yukie Saito - JICA
3. Mr. Charles Ndiege Akach - Principal, Kabete National Polytechnic
4. Mr. Ephantus Macharia Mugo - Trainer, Kabete National Polytechnic
5. Ms Agnes Mulekyo Wambua - Trainee, Kabete National Polytechnic
6. Mr. Paul Karanja Njoki - Trainee, Kabete National Polytechnic
7. Mr. Simon Charles Kivutih - Principal, Jeremiah Nyagah Technical Training Institute
8. Mr. Symon Peter Muchira Njoka - Trainer, Jeremiah Nyagah Technical Training Institute
9. Robinson Makotsi - Trainee, Jeremiah Nyagah Technical Training Institute
10. Ms Eva Wawira Nyaga - Trainee, Jeremiah Nyagah Technical Training Institute
11. Sr. Celestine Akinyi Mangiti - Principal, St Joseph's Technical Institute for the Deaf, Nyangoma
12. Mr. Stephen Ochieng Apel - Trainer, St Joseph's Technical Institute for the Deaf, Nyangoma
13. Edwin Oduor Odhiambo - Trainee, St Joseph's Institute Technical for the Deaf, Nyangoma
14. Janipher Nasimiyu Makete - Trainee, St Joseph's Technical Institute for the Deaf, Nyangoma

PRODUCTION UNIT.

The production units owned by the institute are fish farming and broiler chicken rearing. These production units are internally consumed by the institute to improve on the learners and trainers diet. The chicken rearing unit is located in the institute's compound while fish farming on St Joseph's Technical Institute for the Deaf in Got Ramogi campus.

Internal consumption for financial year 2019/2020 as from 1st July 2019 to 30th June 2020.

DETAILS	QUANTITY	RATE@Ksh	TOTAL AMOUNT KSHS
Chicken	1,405	500	702,500
Fish	0	0	0
TOTAL			702,500

There was no production of fish in Got Ramogi as the newly acquired fingerlings after the flush floods were yet to be of the required sizes.

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
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RENOVATION AND FACELIFT OF INSTITUTE FACILITIES

There was renovation of male septic tank and female drainage system i.e. excavation of soak pit(10ft and 8ft), septic tank repairs, sewer line unblocking, plumbing works, hardcore filling & disposal
The institute CCTV cabling was redone to ensure that there was no interference with the system. The renovation included additional cameras (6) other renovation done are as per the table below.

Project Title	Funding	Contract sum	status	Amount spent to Date	status	Contractor	Balance Due
Principal's office ;Additional furniture	Institution	17,500	complete	17,500	complete	carpenter	17,500
Food and beverage department (shelves and cupboard)	Institution	71,050	ongoing	20,300	ongoing	carpenter	50,750
Food and Beverage class	Institution		On-going	440,000	On-going	Le-Brilliance	
Mountable Office	Institution	1,000,000	Complete	962,674	Complete	Institution	0
Renovation of institution in line with M.O.H regards to Covid-19 protocols	Institution		On-going				



**Sr. Celestine Mangiti
Principal**

**ST. JOSEPH'S TECHNICAL INSTITUTE
FOR THE DEAF NYANG'OMA
P. O. BOX 33, BONDU**

6. REVIEW OF ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF, NYANG'OMA PERFORMANCE FOR FY 2019/2020

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

St Joseph's Technical Institute for The Deaf, Nyang'oma has 4 strategic pillars and objectives within its Strategic Plan for the FY 2017- 2022. These strategic pillars are as follows:

- Pillar 1: Training and Learning.
- Pillar 2: Infrastructure.
- Pillar 3: Governance
- Pillar 4: Partnership

St Joseph's Technical Institute for The Deaf, Nyang'oma develops its annual work plans based on the above 4 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The institution achieved its performance targets set for the FY 2019/2020 period for its 4 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar1: Training and Learning.	To introduce 5 relevant and market driven courses.	Course outlines, Research reports and Partnership contacts.	Conduct market survey, benchmarking with other institutions.	Increased staffing.
	Develop a practical oriented curriculum to both hearing and hearing impaired students.	Assessment reports, approved curriculum by CDACC/KICD and implementation of the curriculum	Need identification, Roll-out process, final write up of program, presentation to KICD/CDACC	Practical Oriented curriculum
Pillar2: Infrastructure.	To enhance quality CBET based training and research for hearing and hearing impaired learners.	Certificate of training	Retraining staff on CBET and, train staff on Kenya Sign Language	Staff trained
	To construct lecture rooms in the three campuses of the institution Install piped water and purification system from the lake to the	Structure in place Tender documents for water tanks, gutters, and pipes	Design tendering Procurement of tanks, gutters, and pipes	Ongoing Safe drinking water from tanks

**ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF, NYANG'OMA.
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	<p>institution and Harvest rain water Construct new modern well equipped workshops and laboratories</p>	<p>Completed workshops, Tender documents, Inspection reports, and approved workshop.</p>	<p>Site survey, tender activities, Construction activities</p>	<p>Site survey reports, Ongoing construction</p>
<p>Pillar3: Governance</p>	<p>To attract, develop and retain competent human resource Adhering to Organization policies and legal provisions</p>	<p>Reduced turnover ratio, Improved Institution's performance Availability of institution's policies, increased of sensitized staffs</p>	<p>Staff training, avail opportunity for staff growth and Provide attractive terms and conditions of employment Develop institutional policies, sensitize staffs on the policies and legal provisions</p>	<p>Retained skilled staff. existence of management institutional policies(HR, Procurement, and finance policies)</p>
<p>Pillar4: Partnerships</p>	<p>Establish harmonious working relationships with stakeholders.</p>	<p>Partnership agreement, Production units in place</p>	<p>Develop partnerships, Initiation of production units</p>	<p>Partnership with Gok in construction of Got Ramogi Campus, and Established poultry project Good working relations with the Gok, Community and other stakeholders</p>
		<p>Harmonious working relationships with various stakeholders</p>	<p>Corporate social responsibility, Accountability, Invite partners to participate in institution events, Participate in activities organized by partners, attach students with our partners.</p>	

7. CORPORATE GOVERNANCE STATEMENT

The Nomination Panel of Board of Governors comprise of a Chairperson Director of TVET and three other persons as follows;

- a) Representative of County Commissioner
- b) One person nominated by the area Member of Parliament and.
- c) A representative of the Interest group.

The appointment of a Board member may cease by resigning in a written notice

The Board is charged with ensuring that St. Joseph's Technical Institute for the Deaf is managed in a sound manner and delivers members value within an environment of good corporate governance. It is in this value that the Board considers corporate governance as a key to good performance of St. Joseph's Technical Institute for the Deaf.

The Board continually reviews various policies, procedures, internal control systems used in stewardship of St. Joseph's Technical Institute for the Deaf, Nyangoma assets and resources with the objective of maintaining and enhancing stakeholder value in the context of the institute's Vision, Mission and Values.

The Board comprises of 8 (eight) non-executive members and a secretary who is the Principal of the institution. The Board members were appointed on 5th October 2018 by the cabinet Secretary, Ministry of Education.

The Board ensures that proper standards of corporate governance are maintained and have oversight over the management of the institution, not only through the Board meetings but also through the various Board Committees.

The Board is required to meet at least three times in every financial year to discuss the overall performance of the institution. All full Board meetings are convened by the Secretary to the Board upon instructions from the Chairperson or upon the requisition of at least four members of the Board. All decisions are passed by a majority of present members voting with the Chairperson having the decisive vote in the event of a tie.

During the financial year 2019/2020 the Board members had no conflict of interest reported during the period of reporting.

8. MANAGEMENT DISCUSSION AND ANALYSIS

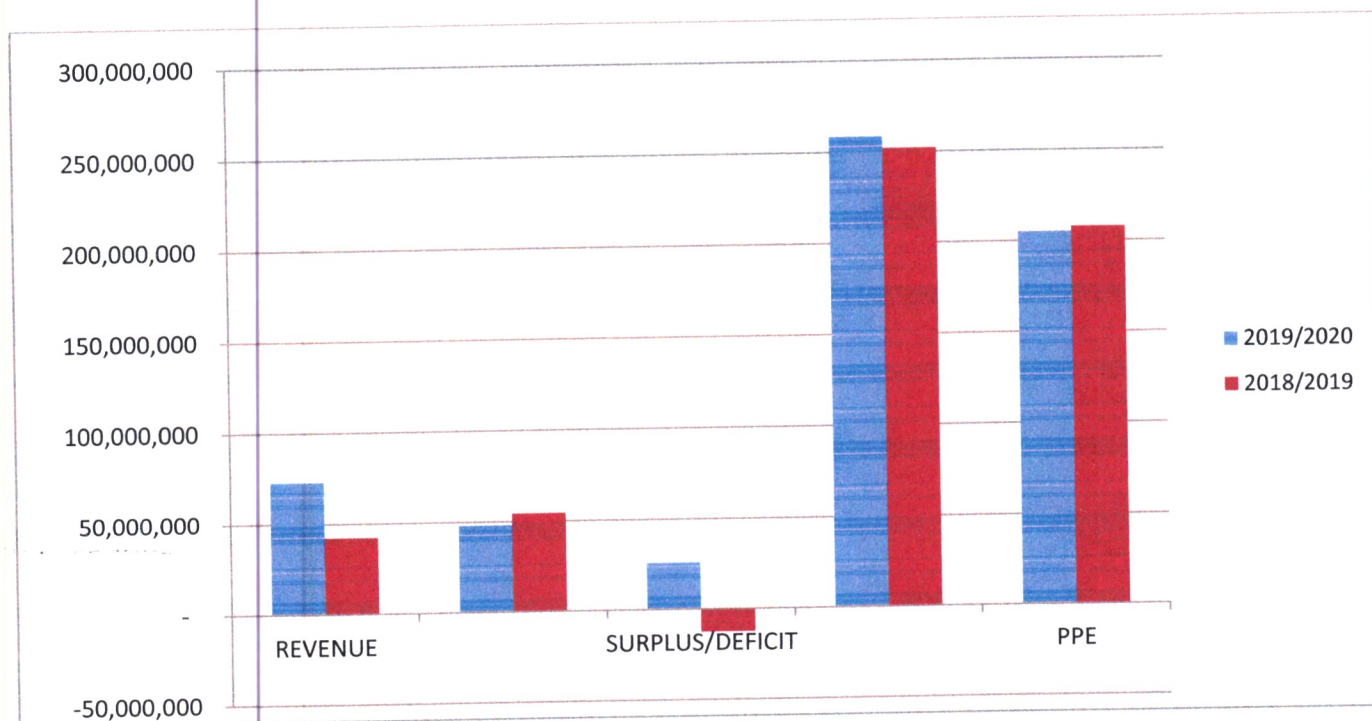
Operational and Financial Performance

The operational and financial performance of St Joseph's Technical Training Institute for The Deaf Nyangoma for financial year 2019/2020 can be explained using 5 components as shown in table 1 and graph 1 below.

(Table 1) Operational and Financial Performance

DETAILS	2019/2020	2018/2019
REVENUE	73,214,025	42,037,021
EXPENDITURE	47,961,047	54,569,580
SURPLUS/DEFICIT	25,252,978	- 12,532,559
EQUITY BASE	258,400,044	252,144,082
PPE	205,050,364	207,572,915

(Graph 1) Operational and Financial Performance



i) Revenue.

During the financial year under review, St Joseph's Technical Training Institute for The Deaf Nyangoma was able to collect Kshs. 73,214,025. There was an increase in collection in 2019/2020 as compared to 2018/2019 because:

- Amount owed of Kshs. 20,306,382 for financial year 2018/2019 was received during the financial year under review.
- The institute received Helb bursary awarded to students totaling to Kshs. 3,212,300.
- There was an increase in the number of students admitted during the year 2019/2020.

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ii) Expenditure.

During the financial year under review, St Joseph's Technical Training Institute for The Deaf Nyangoma incurred a total of Kshs. 47,961,047 as expenses. There was a slight decrease in expenses incurred in 2019/2020 as compared to 2018/2019 because:

- Students were not in session from 20th March 2020 to end of the financial year under review.
- With the outbreak of Covid 19 pandemic, the institute had to put measures in place in line with Ministry of Health and Education guidelines and protocols to mitigate the spread of the corona virus and preparedness of school opening calendar.

iii) Surplus/Deficit

During the financial year under review, St Joseph's Technical Training Institute for The Deaf Nyangoma operated at a surplus Kshs. 25,252,978. There was an increase in surplus made 2019/2020 as compared to 2018/2019 because:

- Increase in revenue collected in 2019/2020.
- Decrease in expenditure incurred in 2019/2020.

iv) Equity Base.

Equity is the residual interest in the assets of the enterprise after deducting all its liabilities.

This is classified into: -

- **Accumulated Fund**
- **Surplus/deficit for the year**
- **Reserves.**

During the financial year under review, St Joseph's Technical Training Institute for The Deaf Nyangoma had equity base worth Kshs. 258,400,044. There was a slight increase in equity base in 2019/2020 as compared to 2018/2019 because:

- An increase in surplus in 2019/2020.
- There was an increase in reserves due to valuation of stocks at the prevailing market rates at the end of the financial year 2019/2020.
- Accumulated fund was reduced with a total of Kshs. 19,683,192 which relates to outstanding fee balances, advances owed, service gratuity paid and R/D cheques as bad debts written off for previous years.

v) Property Plant and Equipment.

During the financial year under review, St Joseph's Technical Training Institute for The Deaf Nyangoma had assets at net value worth Kshs. 205,050,364. There was a decrease in Assets in 2019/2020 as compared to 2018/2019 because:

- The depreciation cost for the year 2019/2020 amounted to Kshs. 12,046,580 an amount of which assets reduced with.
- There was an increase in work in progress which is construction of food and beverage class, additional of building owned due to construction of mountable office and additional equipment purchased for food and beverage department and milling machine purchased and installed in the institute.

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Compliance with Statutory Requirements.

St. Joseph's Technical Institute for the Deaf has complied with all statutory requirements which include;

- The constitution of Kenya, 2010
- TVET Act, 2013
- KRA provisions on taxes
- Employment act and labor relations
- Statutory deductions; NSSF, NHIF.

Key projects and investment the institution implemented

On-Going Projects						Contractor Paid	Balance Due
Project Title	Funding	Contract Sum	Status	Amount Spent To Date	% Status		
Twin Workshop Classroom and Offices	G.O.K	53,470,287	On-going	23,463,445		Le-Brilliance Entreprises	30,006,842
Got-Ramogi Campus	African Development Bank thru' M.O.E	218,784,240	On-going	0	55%	Senders services Co. Limited	

The institute does not manage the funds for Got Ramogi campus, hence making it difficult to ascertain the amount spent to date and balance due.

Major Financial risks facing St. Joseph's Technical Institute.

The institute's activities expose it to a variety of risks: Market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk.

i) Foreign exchange risk

Foreign exchange risk arises from recognized assets and liabilities. St. Joseph's Technical Institute operates within Kenya and its assets and liabilities are denominated in Kenya shillings. The institute has no transactions in foreign currency since most of our trainees pay fees in Kenyan shillings.

ii) Price Risk.

Price risk is the risk that the value commodities will changes in prices due to factors of demand and supply.

St. Joseph's Institute was adversely affected by an increase in prices of commodities and services due to the outbreak of Covid-19.

iii) Cash flow and interest rate risk.

Interest rate risk arises out of long/short term borrowings. St. Joseph's institute for the deaf has no long/short term borrowings from any financial institutions.

iv) Credit Risk.

Credit risk arises from cash and cash equivalent and deposits with banks as well as credit exposures to customers including outstanding receivables and committed transactions. Credit risk is the risk that counter party will default on its contractual obligations resulting in financial loss to the institute. The institute does not have significant concentrations of credit risk for banks and financial institutions.

St. Joseph's institute only deals with well-established banks. For trade and receivables, the institute assesses the credit worth of the customers, taking into account their financial position, past experience and other cross cutting factors. The institute works closely with CDF'S, HELB and other funding institutions that support trainees to ensure reduction on default risk on student's fee balances.

v) Liquidity risk

Liquidity risk is the risk that the institute will not be able to meet its financial obligations as and when they fall due.

Due to the dynamic nature of the institute business, the institute maintains flexibility in funding by maintaining availability under committed credit lines. The institute's approach when managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risk damage to the institute's reputation. However, external factors such as no fee payment by students due to outbreak of covid-19 did create serious constrain on the liquidity of the institute during the financial under review.

Material arrears in statutory/financial obligations.

St Joseph's Tech. Institute is a law abiding institution and is committed to its core mandates hence it has no statutory or tax default to date.

In the financial year ending 30th June, 2020 there were pending bills amounting to Kshs. 83,700.

The institute was owed a total of Kshs. 12,784,444 being arrear for the year under review.

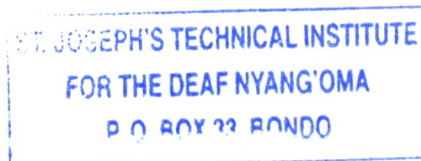
Financial Probity and serious governance Issues.

During the financial year 2019/2020 the Board Members had no conflict of interest reported during the period.

By order of the Board



Sr. Celestine Mangiti
Principal/ Secretary BOG



9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

St Joseph's Technical Training Institute for The Deaf Nyangoma exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on St Joseph's Technical Training Institute for The Deaf Nyangoma pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

St. Joseph TTI, has a sustainability plan that it has started implementing as outlined below;

✓ Poultry project

This project picked up well during the financial year 2019/2020 and its majorly supplementing the food program of the institution, majorly meals for students and staffs. Though currently the production is on small scale, the institution has a plan of expansion to do the production on large scale so as to start targeting the outside market.

✓ Fish aquarium

The Institute had started a fish aquarium project at Got Ramogi Campus but stalled due to unexpected death of fingerlings resulting from floods. The Institute however still has in place a plan to revive this project as it foresees ready market for fish around the environs of the Campus.

✓ Canteen

The Institute plans to operate a canteen in which it targets its main clients to be students and staffs. This is a viable and workable project, which will add as additional source of income to the institute.

✓ Production units

Our major production units are the welding and Carpentry and Joinery departments. These units are operational and acts to generate income for the Institution.

Factors affecting sustainability priorities of the Institute

Sustainability priorities of the Institute are vulnerable to several Macroeconomic factors, which may be beyond the control of the Institute. The Macroeconomic factors may include among others, political pressure, social economic factors, legal political issues. The most recent factor during the year 2019/2020 was the tremendous effects of COVID-19. The Institute tries its best to be on the alert on such issues and report them as and when they occur and try to find a way out to manage such factors.

Reference to International best priorities and key Achievements & Failures

Just like other Institutions, St. Joseph Institute for the Deaf tries to emulate best practices on sustainability programs internationally and critically pay special attention to emerging issues, major achievements and failures.

2. Environmental performance

The environmental policy guiding St. Joseph Nyang'oma Institute for the deaf is as outlined in the Institute's policy statement under the following sub headings;

- Environmental Management
- Carbon Management
- Water
- Procurement
- Waste reduction and Recycling
- Transport
- Institute's Estate
- Awareness and training
- Evaluation of environmental policy
- Responsibilities

The policy document is yet to be approved by the board of governance.

3. Employee welfare

St. Joseph's Technical Institute for The Deaf, Nyangoma hiring process always follow a certain process as listed below;

- Need identification.
- Advertisement
- Short listing.
- Interview.
- Selection.

The institute try to balance gender example for cleaning the institute prefers ladies especially the locals are always given priority. Men are also employed in areas requiring some energy example the kitchen staff mostly are men.

Efforts made in improving skills includes offering short trainings to all the staff lasting at-least one week. Appraisal is always done yearly to identify skill gaps and give recommendations on how to improve them.

Reward systems are always improved incase an employee attends an upgrading course approved by the institution. The institution always provides protective devises such as gumboots, safety hand gloves, protective masks to its employees as a safety measure to comply with Occupational Safety and Health Act of 2007, (OSHA), In addition the institute has fire extinguishers mounted into designated points to be used in case of fire. Kitchen staffs are given hand caps and aprons for protection in case of dirt and to promote hygiene.

4. Market place practices-

St. Joseph Technical Institute for the Dead Nyang'oma advertisements, are always objective. For Instance, purely based on quality services delivery, market driven courses offered and students' exposure to real work experience. The design of advertisements done in such a manner that they do not discredit institutions offering the same services.

The institution always put in practice the procurement methods provided by the Public Procurement and Asset Disposal Act 2015, in ensuring that equal opportunity is given to all prospective suppliers, and contracts signed by both the Institution and tender winning supplier. In addition, the institution has a credit policy of ensuring supplier's payments done within one month after delivery subject to availability of funds.

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The Institution has mechanisms (such as tracking whether trainers and trainees attend classes, feedback from trainees on service delivery) put in place in ensuring that students get quality service delivery and value for money.

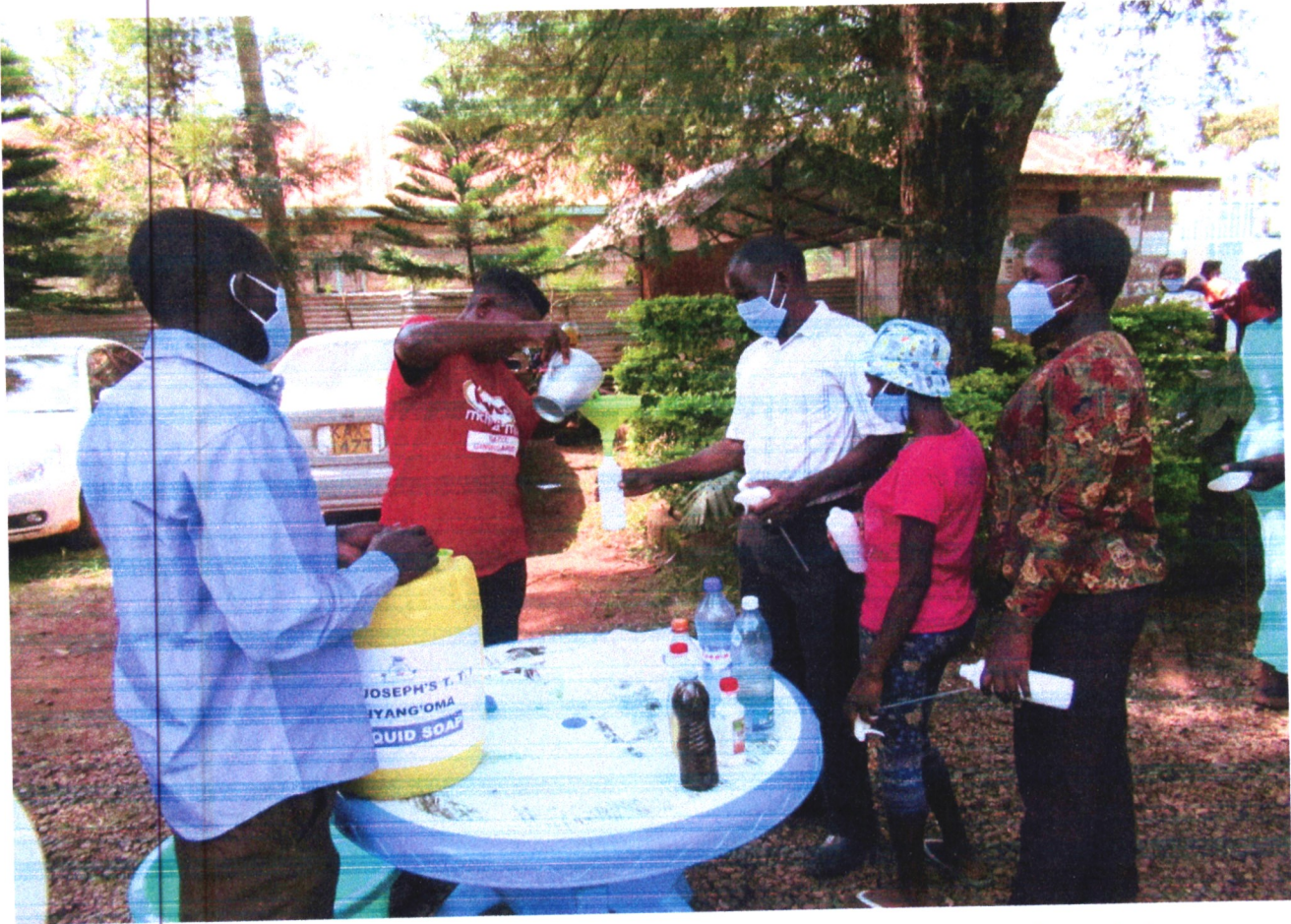
5. Community Engagements-

During the year under review, the institute offered various activities to support the locals and needy groups as below;

- The institute offered supplied chicken to St. Bernard Children's Home Nyang'oma to assist the orphanage in feeding the needy children
- The institute also offered free hair care (Saloon services) in the institute hair dressing and beauty therapy workshop to locals every quarterly as a way of giving back to the community. This has raise self-esteem to local women who cannot afford good saloon services.
- The institute offers free training to youths out of school and women who otherwise are not able to access training due to poverty.
- The institute also participated in distribution of sanitizers, masks and liquid washing soaps to the locals to help fight spread of covid-19 pandemic as per the pictures below.



Picture 1. Principal Sr. Celestine Mangiti (in veil) distributing face masks to community members.



Picture 2. Donata Kokidi (in red t-shirt) an employee of St. Joseph Technical distributing liquid soaps to community members.



Picture 3. Principal Sr. Celestine Mangiti, St. Joseph's Technical Institute for The Deaf Nyangoma staff and community members taking a group photo after the exerci

10. REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended June 30, 2020 which show the state of the St. Joseph's Technical Institute affairs.

Principal activities

The principal activities of the entity are

- To implement technical education programme. (curriculum)
- To provide training opportunities learners with hearing impairment.
- To provide skills for self-reliance learners with hearing impairment.
- To provide alternative source of income to the institution.

Results

The results of the institute for the year ended June 30th, 2020 are set out on page 1-5

BOARD OF GOVERNORS

The members of the Board who served during the year are shown on page vi to viii. During the financial year 2019/2020 no member retired/ resigned from the Board

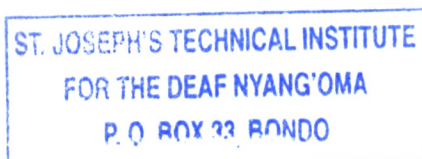
Auditors

The Auditor General is responsible for the statutory audit of the institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



Principal



11. 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,) require the Board members to prepare financial statements in respect of St. Joseph's Technical Institute, which give a true and fair view of the state of affairs of the institute at the end of the financial year 2019/2020 and the operating results of the institute, for the year 2019/2020. 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 Board members are also responsible for safeguarding the assets of the institute.

The Board members are responsible for the preparation and presentation of St. Joseph's Technical Institute for the Deaf, Nyangoma 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, 2020. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of 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.
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for St. Joseph's Institute financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The Board 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, 2020, and of the institute's financial position as at that date. The Board 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

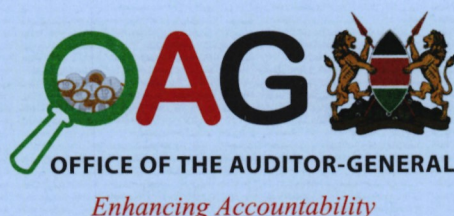
The St. Joseph financial statements were approved by the Board on 17/07/2020 and signed on its behalf by:

Fw
BOG chair

BOG Secretary

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St Joseph's Technical Institute for the Deaf set out on pages 1 to 25 which comprise the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 St Joseph's Technical Institute for the Deaf as at 30 June, 2020 and 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 Vocational Education Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies in the Financial Statement

1.1 Unsupported Balances

A review of the financial statements balances and the related support ledgers/schedules revealed a number of insufficiently supported or unsupported balances as analyzed below:

Components	Balances Supported Kshs.	Financial Statement Balance Kshs.	Variance Kshs.
Use of goods and services			
Water	361,704	161,704	200,000
Property, plant and equipment			
Addition Building	1,677,323	714,191	(963,132)
Work in progress	8,283,733	8,354,838	71,105
Sub Total	9,961,056	9,069,029	(692,027)
Refundable deposits			
Retention-	1,898,130	1,101,234	(796,896)
Uniform		87,048	87,048
Sub Total	1,898,130	1,188,282	(709,848)
Repairs and maintenance	1,962,170	2,687,895	725,725

In the circumstances, the validity and accuracy of the said financial statement balances as at 30 June, 2020 could not be confirmed.

1.2 Misstated Revaluation Reserves

The statement of changes in net assets reflects revaluation reserve of Kshs.184,149,026 as at 30 June, 2020. The statement further reflects a brought forward balance of Kshs.181,739,391 while the audited financial statement for 2018/2019 disclosed a balance of Kshs.183,462,850 therefore resulting to a misstatement of Kshs.1,723,459.

In the circumstance, the accuracy and completeness of the revaluation reserve figure of Kshs.184,149,026 as at 30 June, 2020 could not be confirmed.

1.3 Failure to Include Increase in the Statement of Cash Flow

The statement of financial position and Note 20 to the financial statements reflect inventory for the year under review of Kshs.2,409,635 while the audited financial statements for 2018/2019 disclosed inventories of Kshs.1,723,459 thus indicating an increase of Kshs.686,176. This increase of Kshs.686,176 has not been incorporated in the statement of cash flow.

In the circumstance, validity and completeness of the figures in the statement of cash flow for the year ended 30 June, 2020, could not be ascertained.

1.4 Inaccurate Balance in the Statement of Changes in Net Assets

The statement of changes in net assets omitted the comparative balance items that constituted the opening balances of revaluation reserve of Kshs.183,462,850, retained earnings of Kshs.55,013,775 and capital fund of Kshs.13,667,457 as at 1 July, 2019.

In the circumstance, validity, accuracy, and completeness of the figures in the statement of changes in net assets for the year ended 30 June, 2020 could not be confirmed.

2.0 Bad Debts Written-off Without a Provision

The statement of changes in net assets as at 30 June, 2020 reflects a balance of Kshs.19,683,192 being bad debts written off against retained earnings instead of estimating it to arise from receivables from exchange transactions. However, no provision for bad debts was made from the previous year against the concept of prudence in accounting. It was also observed that the write-off was not charged to the statement of financial performance. Further, the debtors' management policy was not provided for audit review.

Consequently, the validity of the bad debts written-off of Kshs.19,683,192 as at 30 June, 2020 could not be ascertained.

3.0 Inaccurate Refundable Deposits from Customers/Students

As disclosed under Note 23 to the financial statements and in the statement of financial position is a balance of Kshs.3,206,978 relating to refundable deposits from customers/students. Included in this figure is retention fees of Kshs.1,101,234. However, the total retention fees supported by relevant documents and ledgers was Kshs.2,332,989 resulting to unreconciled variance of Kshs.1,231,755.

Consequently, the validity, accuracy and completeness of the refundable deposits of Kshs.3,206,978 as at 30 June, 2020 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St Joseph's Technical Institute for the Deaf in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements of the current year. I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0 Budgetary Control and Performance

1.1 Receipts Analysis

The statement of budget and actual amounts for the year under review reflects total budget receipts of Kshs.156,635,877 and actual receipts of Kshs.73,214,025 respectively resulting to budget shortfall of Kshs.83,421,852 or 53%.

The variance of Kshs.83,421,852 on budgeted receipts means goods and services or works were not delivered to the Technical Institution therefore, denying the stakeholders the expected services.

1.2 Expenditure Analysis

The statement of comparison of budget and actual amounts for the year ended 30 June, 2020 reflects total original budget payments of Kshs.73,214,025 and actual payments of Kshs.44,059,305 resulting to budget under absorption of Kshs.29,154,720 or 39.8%.

Consequently, the overall under funding and under absorption of the budget may have negatively impacted on the delivery of services to the Institution's stakeholders.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

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

Basis for Conclusion

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

were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the St Joseph's Technical Institution for the Deaf to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with St Joseph's Technical Institute for the Deaf policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on St Joseph's Technical Institute for the Deaf ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such

disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause St Joseph's Technical Institute for the Deaf to cease to continue as a going concern or to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of St Joseph's Technical Institute for the Deaf to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathunga, CBS
AUDITOR-GENERAL

Nairobi

02 February, 2022

ST JOSEPH'S TECHNICAL INSTITUTE FOR THE DEAF NYANG'OMA.
ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

13. STATEMENT OF FINANCIAL PERFORMANC FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2019/2020	2018/2019
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants/ gifts in kind	6	50,765,955	19,494,126
Total Revenue from non-exchange transactions		50,765,955	19,494,126
Revenue from exchange transactions			
Rendering of services- Fees from students	7	21,869,370	21,406,795
Sale of goods	8	547,200	1,136,100
Other income	9	31,500	-
Revenue from exchange transactions		22,448,070	22,542,895
Total revenue		73,214,025	42,037,021
Expenses			
Use of goods and services	10	2,166,439	3,876,979
Employee costs	11	8,779,635	10,328,345
Board Members Allowance	12	210,000	-
Depreciation and amortization expense	13	12,046,580	11,989,705
Repairs and maintenance	14	2,687,895	5,017,195
General expenses	15	22,051,971	23,290,236
Finance costs	16	18,527	67,120
Total expenses		47,961,047	54,569,580
Net Surplus/(deficit) for the year		25,252,978	- 12,532,559

The notes set out on pages 7 to 21 form an integral part of the Annual Financial Statements.

**ST. JOSEPH'S TECHNICAL TRAINING (INSTITUTE FOR THE DEAF – NYANG'OMA
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

14. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2020.

	Notes	2019/2020	2018/2019
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	17	25,739,526	11,156,389
Receivables from exchange transactions	18	27,896,597	39,148,001
Receivables from non-exchange transactions	19	594,600	600,780
Inventories	20	2,409,635	1,723,459
Total Current Assets		56,640,358	52,628,629
Non-current assets			
Property, plant and equipment	21	205,050,364	207,572,915
Total Non-current Assets		205,050,364	207,572,915
Total assets		261,690,722	260,201,544
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	22	83,700	5,283,327
Refundable deposits from customers	23	3,206,978	2,774,135
Total Current Liabilities		3,290,678	8,057,462
Non-current liabilities			
Total liabilities		3,290,678	8,057,462
Capital and Reserves			
Reserves		184,149,026	183,462,850
Accumulated surplus		60,583,561	55,013,775
Capital Fund		13,667,457	13,667,457
Total Capital and Reserves		258,400,044	252,144,082
Total Liabilities and Capital & Reserves		261,690,722	260,201,544


The Financial Statements set out on pages 1 to 5 were signed on behalf of the Institute Board of Governors by:



for Chair BOG



Finance Officer



Principal

Date 15/04/2021

ICPAK No 26177
Date 15/04/2021

Date 15/4/2021

ST. JOSEPH'S TECHNICAL INSTITUTE
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**ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF - NYANG'OMA
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15. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2020

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital/Development Grants/Fund	Total
Balance b/f at July 1, 2018	-		-		-
Revaluation gain					-
Prior year adjustments.			-		-
Total comprehensive income			-		-
Capital/Development grants received during the year					-
Transfer of depreciation/amortisation from capital fund to retained earnings					-
Balance c/d as at June 30, 2019	-		-		-
Balance b/f as at July 1, 2019	181,739,391	-	55,013,775	13,667,457	250,420,623
development donation					-
Revaluation During the year			-		-
Closing stock revaluation	2,409,635		-		2,409,635
Total comprehensive income			25,252,978		25,252,978
Bad debts written off			19,683,192		19,683,192
Uniform			-		-
Balance c/d as at June 30, 2020	184,149,026	-	60,583,561	13,667,457	258,400,044

Note:

- For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
- Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done.

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

		2019/2020	2018/2019
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	50,765,955	19,494,126
Rendering of services- Fees from students	7	21,869,370	21,406,795
Sale of goods	8	547,200	1,136,100
Finance income	9	31,500	-
Total Receipts		73,214,025	42,037,021
Payments			
Use of goods and services	10	2,166,439	3,876,979
Compensation of employees	11	8,779,635	10,328,345
Board of Governors allowance	13	210,000	-
Repairs & Maintenance	14	2,687,895	5,017,195
General Expenses	15	22,051,971	23,290,236
Finance cost	16	18,527	67,120
Total Payments		35,914,467	42,579,875
Net cash flows from operating activities		37,299,558	- 542,854
Cash flows from investing activities			
Decrease in non-current receivables (fin post)		-	
Proceeds from sale of property, plant and Equipment		-	
Purchase of property, plant, equipment (Additions)	21	- 9,524,029	- 17,111,609
Net cash flows used in investing activities		- 9,524,029	- 17,111,609
Cash flows from financing activities			
donations		-	243,450
Increase in development grant		-	13,424,007
Net cash flows used in financing activities		-	13,667,457
Changes In Working Capital			
(Inrease/Decrease in receivables	18	11,251,404	- 8,725,501
(Inrease)Decrease in Non Exchange receivables	19	6,180	- 600,780
increase (Decrease) in payables	22	- 5,199,627	4,386,472
increase (Decrease) in refundable deposits	23	432,843	1,526,087
(Inrease)Decrease in Bad debts.	24	- 19,683,192	-
Net cash flows used in financing activities		-13,192,392	- 3,420,722
Net increase/(decrease) in cash and cash equivalents		14,583,137	- 7,407,728
Cash and cash equivalents at 1 July 2019		11,156,389	18,564,117
Cash and cash equivalents at 30 June 2020		25,739,526	11,156,389

**ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF -NYANG'OMA
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17.0 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 202

	Original budget		Adjustments		Final budget		Actual on comparable basis		Performance difference		% Performance Difference
	2019-2020	Kshs	2019-2020	Kshs	2019-2020	Kshs	2019-2020	Kshs	2019-2020	Kshs	
Revenue											
Opening balance cash and cash equivalent	-	-	11,156,389	-	-	-	-	-	-	-	#DIV/0!
Transfers from other Govt entities Govt grants	31,152,626		20,306,382	51,459,008	50,765,955		693,053		693,053		1
Transfers from other Govt entities Devt grants	10,000,000		-	10,000,000	-		10,000,000		10,000,000		100
Public contributions and donations	-		-	-	-		-		-		
Rendering of services- Fees from students	83,424,480		-	83,424,480	21,869,370		61,555,110		61,555,110		74
Sale of goods (Tender and Production)	500,000		-	500,000	547,200		47,200		47,200		9
Other Income	96,000		-	96,000	31,500		64,500		64,500		67
Total income	125,173,106		31,462,771	145,479,488	73,214,025		72,265,463		72,265,463		50
Expenses											
Compensation of employees	15,000,000		-	15,000,000	8,779,635		6,220,365		6,220,365		41
Use of Goods and services	7,640,000		-	7,640,000	2,166,439		5,473,561		5,473,561		72
Finance costs	50,000		-	50,000	18,527		31,473		31,473		63
Repairs and Maintenance	3,586,000		-	3,586,000	2,687,895		898,105		898,105		25
General expenses	88,897,106		-	88,897,106	22,051,971		66,845,135		66,845,135		75
Transfers from other Govt entities Devt grants	10,000,000		-	10,000,000	8,354,838		1,645,162		1,645,162		63
Total expenditure	125,173,106		-	125,173,106	44,059,305		81,113,801		81,113,801		65
Surplus for the period	-		31,462,771	20,306,382	29,154,720		8,848,338		8,848,338		

**ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF -NYANG'OMA
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Notes on huge variances

- The treasury allocation was received with an excess of Kshs. 19,613,329 because of amount owed not disbursed for the financial year 2018/2019 totalling to Kshs. 20,306,382. At the time of reporting the fourth quarter disbursement had not been received.
- The treasury development grant was not received to a tune of Kshs. 10,000,000.
- The students had hoped for the HELB to assist them pay fees but by the end of the year, HELB funds had not been received due to the Corona pandemic. The government also closed down learning institutions making it difficult to collect fees from students.
- On sale of good and services, the institute managed to attract more Production Unit due to increase marketing.
- Use of good and services reduced because of proportional revenue to meet such expenditure. The institute did not commit beyond their revenue base.
- Payment of fees through bank reduced because of HELB and capitation hence the reduction in bank charges.
- General expenditure reduced by huge figure because there was a massive reduction in expenditure due to low fee collection as explained above and due to Covid-19 outbreak.

17. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

St Joseph's Technical institute is established by and derives its authority and accountability from Public Finance Management Act. The entity is wholly owned by the Government of Kenya and is domiciled 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 St Joseph's Technical Institute accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the St. Joseph's Technical Institute

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

3. ADOPTION OF NEW AND REVISED STANDARDS

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

Standard	Impact
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019 The institute does not operate under business combination hence this IPSAS 40 does not apply
IPSAS 41: Financial Instruments	Applicable: 1st January 2022: The institute does not operate with financial instruments covered under this area, hence this IPSAS 41 does not apply
IPSAS 42: Social Benefits	Applicable: 1st January 2022 The institute does not operate other social benefits. It is only operating with NSSF as the only social benefit hence this IPSAS 42 does not apply

4. EARLY ADOPTION OF STANDARDS

The institute is adopting IPSAS accruals for the second time and has taken into account clauses covered under IPSAS 33

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position.

During the Financial year under review, St Joseph's Technical Institute For the Deaf Nyangoma received a total of Kshs 50,765,955 as recurrent grant and no funds were received towards development.

ii) Revenue from exchange transactions

Rendering of services

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma received a total of Kshs 21,869,270 as fees collection from students.

Sale of goods

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma received a total of Kshs 547,200 from sale of chicken, rent from staff rental houses and sale of tender.

Interest income

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma received a total of Kshs 31,500 as an interest income in Savings account in the month of November 2019.

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2019/2020 was approved by the Board. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. In case of additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

c) Property, plant and equipment

The institute during the year did not carry out any internal valuation of its property plant and equipment.

The values are net book values of Kshs 205,050,364 after depreciation of Kshs 12,046,580 being factored in for the financial year under review.

Rates used by St. Joseph's Technical Institute to depreciate its assets using a straight line method as per the table shown below

No.	Details	Depreciation % Rate
1	Land	0.0
2	Motor Vehicle	25.0
3	Fixture & Fittings	12.5
4	Computers	30.0
5	Building	0.0
6	P.P.E	12.5
7	W.I.P	0.0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) **Research and development costs**

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

The institute participated in KATTI Western Region TVET Exhibition and Robotics contest that was held at Ekerubo Getua Technical Training Institute in Nyamira County from 19th February, 2020 22nd February, 2020. St Joseph's Technical Institute for the Deaf, Nyang'oma emerged the best in the special category giving it an opportunity to proceed to the next level of the competitions. Three trophies were taken by the institute during the regional competitions held at Shamberere TTI.

e) **Financial instruments**

Financial assets

Initial recognition and measurement

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma was not owed any loan by any third party hence no calculation of impairment losses

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Held-to-maturity

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma did not have any financial asset withheld to maturity.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired.

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

i) **Financial instruments (Continued)**

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loans and borrowing

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

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

i) 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.

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.

At the end of the financial year 2019/2020, St Joseph's Technical Institute for the Deaf Nyangoma constituted a committee to value its closing stock at market prevailing prices as shown below;

Details	Market prices (Kshs)
Learning materials	267,590
Maintenance stores	528,750
Stationery	556,697
Catering stores	1,056,598
Total Inventories	2,409,635

j) Provisions

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma did not have any legal or constructive obligation hence didn't cater for expenses arising from such obligations in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Changes in accounting policies and estimates

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

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma did not change its accounting policies and estimates.

l) Employee benefits

Retirement benefit plans

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

St Joseph's Technical Institute for the Deaf Nyangoma does not have any defined benefit retirement plan except the NSSF.

m) Related parties

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) 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.

During the Financial year under review, St Joseph's Technical Institute for the Deaf Nyangoma Cash and cash equivalents amounted to:

Cash and Cash Equivalents	
Details	Kshs
Bank Balances	
KCB Current account Main a/c	20,492,895
KCB Bank Saving a/c	4,842,855
KCB Bank Project account	399,945
Total Bank Balances	25,735,694
Cash Balances	
Cash at Hand Current account Main a/c	3,832
Cash at Hand Project account	-
Total cash Balances	3,832
Total cash and cash equivalents	25,739,526

o) Comparative figures

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

The institution is adopting IPSAS for the second time hence have comparative figures

St Joseph's technical institute for the deaf Nyangoma have used comparative figures for financial year 2019/2020 and 2018/2019 while reporting on its financial statements

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6. Transfers from National Government Ministries

Details	2019/2020	2018/2019
1st Quarter	20,306,382	
2nd Quarter	10,153,191	10,153,190
3rd Quarter	10,153,191	9,340,936
4th Quarter	10,153,191	-
Total Government grants and subsidies	50,765,955	19,494,126

7. Rendering of Services

Details	2019/2020 Kshs	2018/2019 Kshs
Boarding	8,964,244	9,354,970
Attachment	1,322,970	1,165,220
Activity	1,555,315	2,289,450
Tuition	721,165	1,021,075
Medical	-	700
Lt&T	1,455,966	1,149,225
Ewc	1,702,586	1,324,864
Contigencies	-	1,000
Library Fees	-	1,170
Internet	-	3,000
P.Emol	5,290,734	4,446,720
Admission Fee	45,264	500
I.D Card	10,920	14,760
Rmi	796,206	634,141
Training Materials	4,000	-
Total Rendering Of Services	21,869,370	21,406,795

8. Sale of goods

Details	2019/2020 Kshs	2018/2019 Kshs
Sale of farm produce	460,000	565,200
Rent	85,200	432,400
Income from sale of tender	2,000	138,500
Total Sale of goods	547,200	1,136,100

9. Finance income

Details	2019/2020	2018/2019
Interest income	31,500	-
Total other income	31,500	-

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10. Use of Goods and Services

Details	2019/2020	2018/2019
	Kshs	Kshs
Electricity	627,735	518,728
Water	161,704	1,060,687
Security	1,207,000	1,397,000
Subscriptions	170,000	900,564
Total good and services	2,166,439	3,876,979

11. Employee Costs

Details	2019/2020	2018/2019
	Kshs	Kshs
Salaries and wages	8,779,635	10,328,345
Total Employee costs	8,779,635	10,328,345

12. Board Members Allowance.

Details	2019/2020	2018/2019
	Kshs	Kshs
Transport allowances	210,000	-
Total Board Members Allowance	210,000	-

13. Depreciation and Amortization Expense.

Details	2019/2020	2018/2019
	Kshs	Kshs
Property, plant and equipment	12,046,580	11,989,705
Total depreciation and amortization	12,046,580	11,989,705

14. Repairs and Maintenance

Details	2019/2020	2018/2019
	Kshs	Kshs
Other	2,687,895	5,017,195
Total Repairs and Maintenance	2,687,895	5,017,195

**ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF -NYANG'OMA
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15. General Expenses

Details	2019/2020	2018/2019
Id Card	120	-
Boarding	8,332,118	8,004,786
Activity	694,538	1,406,750
Tuition	5,087,640	7,191,870
Medical	-	100,290
Lt&T	1,790,855	1,319,500
Contingencies	4,306,166	3,651,144
Library Fees	-	2,630
Internet	-	15,300
Attachment	879,449	663,091
Production Unit	954,615	903,265
Tender	6,470	31,610
Total General Expenses	22,051,971	23,290,236

16. Finance Costs.

Details	2019/2020	2018/2019
	Kshs	Kshs
Bank Error	-	48,400
Bank Charges	18,527	18,720
Total finance costs	18,527	67,120

17. Cash and Cash Equivalents

Details	2019/2020	2018/2019
	Kshs	Kshs
Bank Balances		
KCB Current account Main a/c	20,492,895	1,799,632
KCB Bank Saving a/c	4,842,855	1,999,323
KCB Bank Project account	399,945	7,347,832
Total Bank Balances	25,735,694	11,146,786
Cash Balances		
Cash at Hand Current account Main a/c	3,832	9,603
Cash at Hand Project account	-	-
Total cash Balances	3,832	9,603
Total cash and cash equivalents	25,739,526	11,156,389

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18. Receivables from Exchange Transactions

Details	2019/2020	2018/2019
	Kshs	Kshs
Student debtors	26,391,530	37,758,295
R/D Cheques	-	116,600
Exams fee paid	1,505,067	1,273,106
Total current receivables	27,896,597	39,148,001

19. Non-current receivables

Details	2019/2020	2018/2019
	Kshs	Kshs
Rent receivables	408,600	432,400
Advance	186,000	45,000
Service gratuity	-	123,380
Total non-current receivables	594,600	600,780

20. Inventory.

Details	2019/2020	2018/2019
	Kshs	Kshs
Learning materials	267,590	179,675
Maintenance stores	528,750	279,295
Stationery	556,697	472,569
Catering stores	1,056,598	791,920
Total Inventories	2,409,635	1,723,459

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. Property, Plant and Equipment.

	Land		Motor vehicles		Furniture and fittings		Computers		Building		Plant and equipment		Capital Work in progress		Total	
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Cost	4,695,000	4,890,000	3,465,000	2,869,100	111,440,111	75,786,800	16,416,609	219,562,620								
At 30 th June 2019	4,695,000	3,667,500	3,031,875	2,008,370	111,440,111	66,313,450	16,416,609	207,572,915								
Additions	-	-	-	-	714,191	455,000	8,354,838	9,524,029								
At 30 th June 2020	4,695,000	4,890,000	3,465,000	2,869,100	112,154,302	76,241,800	24,771,447	229,086,649								
Depreciation and impairment																
At 30 June 2019	-	1,222,500	433,125	860,730	-	9,473,350	-	11,989,705								
Depreciation	-	1,222,500	433,125	860,730	-	9,530,225	-	12,046,580								
At 30 th June 2020	-	2,445,000	866,250	1,721,460	-	19,003,575	-	24,036,285								
Net book values																
At 30 th June 2019	4,695,000	3,667,500	3,031,875	2,008,370	111,440,111	66,313,450	16,416,609	207,572,915								
At 30 th June 2020	4,695,000	2,445,000	2,598,750	1,147,640	112,154,302	57,238,225	24,771,447	205,050,364								
DEPRICIATION RATE (%) (straight line method)	0.00	25.00	12.50	30.00	0.00	12.50	0.00									

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22. Trade and other Payables from Exchange Transactions

Details	2019/2020	2018/2019
	Kshs	Kshs
Trade payables	83,700	5,283,327
Total trade and other payables	83,700	5,283,327

23. Refundable deposits from customers/students

Details	2019/2020	2018/2019
	Kshs	Kshs
Retention Fee	1,101,234	1,065,284
Prepaid fees	749,866	538,473
Caution money	1,186,600	1,047,600
Uniform	87,048	87,048
student union	82,230	35,730
Total deposits	3,206,978	2,774,135

24. Bad Debts Written Off

Details	2019/2020	2018/2019
	Kshs	Kshs
Arrears December 2015 & Below	19,398,212	-
Advance	45,000	-
Service Gratuity	123,380	-
R/D Cheques	116,600	-
Total transfer to statement of changes in Equity	19,683,192	-

18. APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

As at the time of submission of financial statements for the financial period 2019/2020 we had not received audit certificate for the financial period 2018/2019

Guidance Notes:

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



For Sr. Zipporah Kerubo

BOG chair.

Date 15/04/2021

**ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF -NYANG'OMA
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APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects

Key projects and investment the institution implemented

On-Going Projects						Contractor Paid	Balance Due
Project Title	Funding	Contract Sum	Status	Amount Spent To Date	% Status		
Twin Workshop Classroom and Offices	G.O.K	53,470,287	On-going	23,463,445	50%	Le-Brilliance Entreprises	30,006,842
Got-Ramogi Campus	African Development Bank thru' M.O.E	218,784,240	On-going		55%	Senders services Co. Limited	

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APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME:		ST. JOSEPH'S TECHNICAL TRAINING INSTITUTE FOR THE DEAF – NYANG'OMA		
Break down of Transfers from the State Department of Technical and Vocational training				
FY 2019/2020				
a. Recurrent Grants				
		Bank Statement Date	Amount (KShs)	Indicate the FY to which the amounts relate
		10 th July 2019	20,306,382	2018/2019
		18 th October 2019	10,153,191	2019/2020
		4 th March 2020	10,153,191	2019/2020
		27 th April 2020	10,153,191	2019/2020
		Total	50,765,955	
b. Development Grants				
		Bank Statement Date	Amount (KShs)	Indicate the FY to which the amounts relate

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

Finance Officer

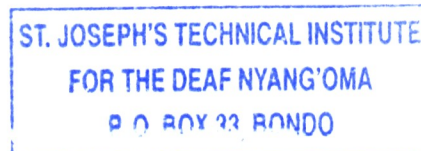
Sign _____

[Handwritten Signature]

Principal

Sign _____

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APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

ST JOSEPH'S NYANG'OMA	Date received as per bank statement	Nature: Recurrent/Deve lopment/Others	Total Amount - KES	Statement of Financial Performance	Capital Fund	Receivables	Total Transfers during the Year
Ministry of Education		Recurrent	50,765,955	50,765,955	0	0	50,765,955
Ministry of Education		Development	0	0	0	0	0
USAID		Donor Fund	0	0	0	0	0
Ministry of Education		Direct Payment	0	0	0	0	0
			0	0	0	0	0
Total			50,765,955	50,765,955	0	0	50,765,955

ULTIMATE AND HOLDING ENTITY

The institute is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya and the Catholic Church Arch Diocese of Kisumu

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