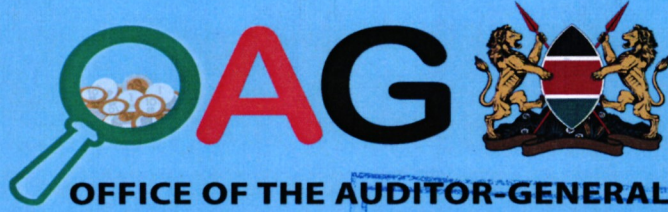


REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
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**REPORT**

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Deputy Majority Party Whip

CLERK-AT  
THE-TABLE:

A. Shibuko

**OF**

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**RAMOGI INSTITUTE OF  
ADVANCED TECHNOLOGY**

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

**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30 June 2022

OFFICE OF THE AUDITOR GENERAL  
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**RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

**Table of Contents**

(i)	<b>Key Entity Information and Management</b> .....	ii
(ii)	<b>The Board of Governors</b> .....	vii
(iii)	<b>Management Team</b> .....	xii
(iv)	<b>Chairperson’s Statement</b> .....	xv
(v)	<b>Report of the Principal</b> .....	xvii
(vi)	<b>Statement Of Performance against Predetermined Objectives</b> .....	xix
(vii)	<b>Corporate Governance Statement</b> .....	xxiii
(viii)	<b>Management Discussion and Analysis</b> .....	xxviii
(ix)	<b>Environmental and Sustainability Reporting</b> .....	xxx
(x)	<b>Report of The Board Of Governors</b> .....	xxxv
(xi)	<b>Statement of Board of Governors Responsibilities</b> .....	xxxvi
(xii)	<b>Report of The Independent Auditor On the Ramogi Institute of Advanced Technology</b> .....	xxxviii
(xiii)	<b>Statement of Financial Performance for The Year Ended 30 June 2022</b> .....	1
(xiv)	<b>Statement of Financial Position as At 30<sup>th</sup> June 2022</b> .....	2
(xv)	<b>Statement of Changes In Net Asset For the year ended 30 June 2022</b> .....	3
(xvi)	<b>Statement of Cash Flows for the year ended 30 June 2022</b> .....	4
(xvii)	<b>Statement of Comparison Of Budget And Actual Amounts For The Year Ended 30 June 2022</b> .....	5
(xviii)	<b>Notes to the Financial Statements</b> .....	7
(xix)	<b>Appendices</b> .....	36

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30 June 2022

### **(i) Key Entity Information and Management**

#### **(a) Background information**

Ramogi Institute of Advanced Technology (RIAT) was established in 1976. It is one of the pioneer technical training institutions started through community initiatives. RIAT is a public TVET institution under the Ministry of Education, State Department of Technical, Vocational Education and Training. The Institute is mandated to equip artisans, technicians and technologists with relevant skills for the job market. In accordance with the Technical Vocational Education and Training (TVET) Act 2013, there is a Board of Governors in place appointed by the Cabinet Secretary, Ministry of Education to provide oversight role to management. The Principal who is the Secretary to the Board is assisted by the Deputy Principals, Dean of Students and Registrar in the day to day running of the Institute. The staffing position stands at 133 trainers and 68 non-teaching staff.

Over the years, RIAT has experienced tremendous growth with the current total enrolment of 5958 students. Currently, RIAT has 9 academic departments, i.e. Electrical and Electronics engineering, Mechanical Engineering, Business Studies, Building and Civil Engineering, Hospitality and Institutional Management, Information and Communication Technology, Health Sciences, Agriculture and Environmental Studies, and Liberal Studies. Courses offered are at artisan, certificate and diploma levels, and exams offered are by KNEC and NITA. CBET curriculum is also offered examined by CBET CDACC.

#### **(b) Principal Activities**

The core mandate of RIAT is to equip youths with relevant skills necessary for the country's industrialization. The Institute provides vocational and technical training for self-reliance to graduates of secondary and primary schools to enable them enter the global world of work.

#### **Objectives of RIAT are:**

1. To produce graduates who are knowledgeable, skilled and competent human resource
2. To extend technological solutions through research in appropriate and emerging technologies
3. To promote technology through linkages with institutions and the community
4. To expand and harness use of ICT in service delivery
5. To exploit the potential of the Institutes' incubator facilities to stimulate a work situation for our graduates that will equip them with skills to meet challenges of the industry
6. To promote and maintain a qualified workforce

**Vision**

To be a leader in quality training that responds to the vocational and technological needs of the local and global society

**Mission**

To produce quality skilled and self-driven technical and vocational graduates with innovative and creative competencies relevant to industrial development.

**(c) Key Management**

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

- Principal
- Deputy Principals
- Registrar
- Dean of students
- Industrial Liaison Officer
- Heads of Departments
- Finance Officer
- Procurement Officer
- Human Resource Officer
- Established committees -Academic committee, Disciplinary committee, Guidance and counselling committee, Time-Table committee and Boarding committee

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	Maren Omondi
2.	Deputy Principal Administration	Lynnete Odhiambo
3	Deputy Principal Academics	David Omondi
4	Registrar	George Olero
5	Dean of Students	Grace Titi
6	Finance Officer	George Odera
7	Procurement Officer	Clare Obuolo

**Ramogi Institute Of Advanced Technology**  
Annual Report And Financial Statements for the year ended 30th June 2022

**(e) Fiduciary Oversight Arrangements**

The following Board committees were in place

- i. **Audit and Risk committee activities;** that deals with all legal and financial matters of the Institute and ensure compliance to all statutory and legal requirements

No	Name	Position
1	Rose Omollo	Chairperson
2	Esther Njoki Chege	Member
3	Internal Auditor	Member

- ii. **Finance, Infrastructure and Resource Mobilization Committee**  
Deals with all financial matters of the Institute

No.	Name	Position
1	Mohammed H. Rana	Chairperson
2	Eng. James K. Opindi	Member
3	Mary A. Onyango	Member
4	Maren Omondi	Secretary/Principal
5	Fanuel O. Onyango	County Director TVET

*Education, Research and Training Committee which guides the Institute to meet its strategic aims and objectives in relation to education, research and training activities.*

No.	Name	Position
1	Eng. James K. Opindi	Chairperson
2	Gladys Asewe	Member
3	Maren Omondi	Secretary/Principal
4	Fanuel O. Onyango	County Director TVET

- iii. **Human Resource and Planning Committee** which deals with all matters related to human resource including Scheme of Service for BOG staff

No.	Name	Position
1	Gladys Asewe	Chairperson
2	Mohammed H. Rana	Member
3	Maren Omondi	Secretary/Principal
4	Fanuel O. Onyango	County Director TVET

**(f) Institute Headquarters**

P.O. Box 1738-40100  
Off Kisumu-Kakamega Road  
Kisumu, Kenya.

**(g) Institute Contacts**

Telephone :(254) 0734251622/0734257622  
E-mail: [riatcollege2015@gmail.com](mailto:riatcollege2015@gmail.com)  
Website: [ramogiinstitute.ac.ke](http://ramogiinstitute.ac.ke)

**(h) Institute Bankers**

National Bank of Kenya  
P.O. Box 1152-40100  
Kisumu.

Co-Operative Bank of Kenya  
P.O. Box 1511-40100  
Kisumu.

Equity Bank  
Kisumu

M-Pesa paybill for the Institute  
Paybill Number 3131419

**(i) Independent Auditors**

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




**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

**(j) Principal Legal Adviser**





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



**(ii) The Board of Governors**

No.	Member	Details
1		<p><b>Dr. Lily Kisaka Chair Lady</b>  <b>Year of birth 1968</b></p> <p>Dr. Lily Kisaka holds a PhD in Agricultural Economics and a Post Graduate Diploma in planning and Management of development projects. She has vast knowledge and expertise in programme/project management across the African region and is a natural resource policy and management specialist.</p>
2		<p><b>Maren Omondi(Mrs)</b>  <b>PRINCIPAL</b>  <b>Year of Birth:1962</b></p> <p>Maren Omondi, the Principal, holds a Master’s in Education degree (Guidance and Counselling), Bachelor of Education and Diploma in Business Management. She has vast experience in management of TVET institutions with over 13 years’ experience as Principal and has attended management courses from Kenya School of Government (SMC and SLDP)</p> <p>Before becoming a Principal, Mrs Omondi held different administrative positions including head of department, and Guidance and Counselling coordinator.</p> <p>Mrs Omondi is also the Secretary General, Kenya Association of Technical Training Institutions and Regional Administrative Representative – Eastern, ATUPA</p>
3		<p><b>Hanif M. Rana</b>  <b>Year of birth 1959</b></p> <p>Holder of Master of Science in Health services and BA Mathematics. He is the Director OSIRIS technology and services.</p>

**Ramogi Institute Of Advanced Technology**


Annual Report And Financial Statements for the year ended 30th June 2022

4		<p><b>Rose Auma Omolo</b> <b>Year of Birth 1968</b> Holder of BA Administration (Finance) and works at KEMRI as an accountant. She is the Chairperson Audit and risk committee</p>
5		<p><b>ESTHER NJOKI CHEGE</b> <b>Year of birth 1959</b> Holder of LL. B (HONS), Diploma in law, advocate of high court of Kenya. Practicing advocate and commissioner of oaths</p>
6		<p><b>Mary A. Onyango</b> <b>Year of birth 1993</b> Holder of BSC- Water and environment engineer. Associate water engineer-living water services</p>
7		<p><b>Gladys J. Asewe</b> <b>Year of Birth 1969</b> <b>MBA in strategic Management.</b> Private management consultant and a HR and admin manager (rods and steel ltd).Chairperson Human resource and planning committee</p>

<p>8</p>		<p><b>James Caleb K.Opindi</b>  <b>Year of Birth 1951</b></p> <p>James Khachula Opindi has had an illustrious career in the Energy Sector with specialization in Oil and Gas. He has held positions at Board, Executive, and Senior Management levels at Exxon Mobil, VTTI (Navgas Ltd in Nigeria), African Gas and Oil Ltd and Weld-Con Ltd.</p> <p>During his long experience, James has supervised Energy related projects in several African Countries; and supervised SH&amp;E (Safety, Health and Environmental Protection) operations while in charge of Africa and Middle East for ExxonMobil based in Brussels, Belgium. He has a strong and proven track record in Engineering Project Management, Oil and Gas Operations, and SH&amp;E.</p> <p>Mr. Opindi has vast knowledge and broad business experience in matrix and multifunctional organizations, and is a widely acknowledged Expert and Consultant.</p> <p>Born in 1951, he holds a Bachelor of Science Degree in Mechanical Engineering from the University of Nairobi. He is also a member of the Institute of Directors of Kenya.</p>
<p>9</p>		<p><b>MR. JOHN K. TUWEI</b></p> <p><b>DEPUTY DIRECTOR OF TECHNICAL EDUCATION (PROJECTS AND PARTNERSHIPS)</b></p> <p>Mr. John K. Tuwei is a holder of MSc (Organic Chemistry) from the University of Nairobi (2007) and Graduate Certificate in TVET reforms and Project Management (2011) from Chisholm Institute of TAFE in Australia and B.Ed (Science) (1996) from Kenyatta University.</p> <p>Mr. Tuwei who has over 20 years' experience in Public Service, is currently The Deputy Director of Technical Education in Charge of Projects and Partnerships at the State Department for Vocational and Technical</p>

**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022



		<p>Training and the Liaison Officer for the Joint Subsector Working Group (JSSWG), a forum which brings together the State Department of VTT and all Development Partners (Multilateral and Bilateral) which support the TVET sector in Kenya. Mr. Tuwei has initiated, managed and over sighted a number of donor funded TVET projects which include, The GoK/Netherlands TVET project, GoK/AfDB TVET 1, 2 and 3 Projects, World Bank Eastrip Project, GoK/KfW TVET 1 and 2 projects and GoK/MasterCard TVET Blue Prints projects whose collective aim is to provide equitable access to quality and relevant skills to Kenyans.</p> <p>Mr. Tuwei has also participated in the development and implementation of TVET Act 2013 and number of policy documents which include the TVET Blue Print and the Workforce Blue print. Mr. Tuwei is currently The PS VTT alternate member for The Kabete National Polytechnic Council and Ramogi Institute of Advanced Technology (RIAT) Board of Governors</p>
10		<p><b>Fanuel Onyango</b> <b>Year of Birth:1962</b></p> <p>MBA: ( HRM) Kenyatta University BED: (Business Studies) Kenyatta University</p> <p>County Director TVET – Kisumu and Siaya Counties. He has a wealth of experience in Education Management and has served as Principal and Deputy Principal, in various institutions. He has been a Dean of Students, Head of Department, Teacher Trainer in a Diploma College, Lecturer, and teacher in High School. He has done work for Kenya National Examinations Council (KNEC) and has also been involved in Curriculum Development &amp;</p>




		Consultancy in small and medium-sized enterprises.
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**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022



**(iii) Management Team**

No.	Member/ Director	Details
1		<p><b>Maren Omondi(Mrs)</b>  <b>PRINCIPAL</b>  <b>Year of Birth:1962</b></p> <p>Maren Omondi, the Principal, holds a Master’s in Education degree (Guidance and Counselling), Bachelor of Education and Diploma in Business Management. She has vast experience in management of TVET institutions with over 13 years’ experience as Principal and has attended management courses from Kenya School of Government (SMC and SLDP)</p> <p>Before becoming a Principal, Mrs Omondi held different administrative positions including head of department, and Guidance and Counselling coordinator. Mrs Omondi is also the Secretary General, Kenya Association of Technical Training Institutions and Regional Administrative Representative – Eastern, ATUPA</p>
2		<p><b>MRS. LYNETTE ODHIAMBO</b>  <b>DEPUTY PRINCIPAL – ADMINISTRATION.</b></p> <p><b>Key Qualifications:</b> BEd Arts Literature and Linguistics</p> <p>Mrs Odhiambo joined TVET in the year 2004 from secondary Education teaching. She served at the Kisumu National Polytechnic both as a trainer and Head of Department before being deployed to RIAT as the Deputy Principal in charge of Administration in 2019.</p>

3		<p><b>MR. DAVID OMONDI</b> <b>DEPUTY PRINCIPAL –</b> <b>ACADEMIC</b></p> <p>Key Qualifications: B.ED. Botany/Zoology He joined TVET in 2008 after having taught in two secondary schools. He is quite conversant with ISO 9001 quality management systems having served as a Management Representative (MR) at the Sigalagala National Polytechnic. He was deployed to RIAT in 2020.</p>
4		<p><b>MR. GEORGE OLERO</b> <b>REGISTRAR</b> Key Qualifications: B.Ed Technology- Mr Olero is a trainer in the Building and Civil Engineering Department</p>
5		<p><b>MS. GRACE TITI</b> <b>DEAN OF STUDENTS</b></p> <p>Key Qualifications: M.A in Design</p>

**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

6		MR.GEORGE ADERO FINANCE OFFICER Key Qualifications: CPA-K
7		MS.CLARE OBWOLO PROCUREMENT OFFICER Key Qualifications: Diploma in Purchasing and Supply Management

**(iv) Chairperson's Statement**

I am pleased to present FY 2021/2022 Annual Report and Financial Statements for Ramogi Institute of Advanced Technology (RIAT).

The Board of Governors of RIAT is committed to enhance efficiency, prudent management of resources and accountability. The Board solicits the full support of the Ministry of Education and especially the State Department of Vocational and Technical Training, County governments, partners and all Stakeholders in order to meet the Institute's mandate in terms of training, research and innovation outputs. We take pride in the fact that the Institute has carved its niche in offering market driven quality training programs across various disciplines in Engineering, Technology, Business Studies, Liberal Arts and Sciences.

In the just ended financial year, the board has achieved the following Key milestones:

**1) Service Delivery**

To enhance service delivery, the Board and the Institute's Management have developed ten policies, a Board charter and an Audit charter.

**2) Infra-structure**

The Board has improved the Infrastructure at the Institute significantly, by starting the construction of a new tuition block that will be completed in the next financial year. The construction of two units of support staff houses have been completed and are ready for occupation. The Institute also acquired a generator which will support training, our core mandate, by mitigating the effects of frequent electricity supply disruptions.

**3) Training and Learning**

The Board acknowledges the effort of the government to provide capitation, HELB loans and Bursaries to trainees. This has contributed significantly to increase in the trainee population in RIAT. The Institute established an admission portal on its website, which has improved access to training opportunities and fostered increase in the trainee enrolment.

Following a presidential directive to Technical Training Institutions, the Board together with the management established a driving school for the Institute. The driving school was officially opened by the PS in the State Department of Vocational and Technical Training Dr. Margaret Mwakima Phd.DD, CBS.

To enhance training and learning, the Institute has initiated the following collaborations and partnerships with development partners

- Giz - Agri –Jobs 4 Youth
- Giz- Youth For Employability Skills Project
- Giz- Skills Initiative For Africa –ATVET For Women,
- Giz -ENABLE 9 Empowering Novel Agri Business Led Employment.
- Aquaculture Business Development Programme (ABDP)
- East African Aquaculture Project
- RIAT-Israeli Embassy Partnership.

Through this the Institute has received support towards staff capacity building, infrastructure development, training equipment and materials, among others.

**4) Board Effectiveness**

The Board members are committed to achieving the institute's strategic objective, and fulfilling their roles and mandate through attendance of Board meetings and other engagements when called upon. Annual Board evaluation was conducted by a Ministry official from the Directorate of Technical Education. The outcome of the evaluation confirmed that the Board and its committees are performing efficiently and that there is an appropriate balance of skills, experience, knowledge and independence to enable the Board to discharge its duties effectively.

**5) Challenges**

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

The main challenges facing the institute include: (i) Land encroachment; (ii) Inadequate Infrastructure e.g Library and (iii) Inadequate Human Resource

### **6) Future Outlook**

With the commissioning of the Kisumu port, RIAT is positioning itself to develop courses in the area of Maritime and the Blue economy to address the skills gaps in maritime professionals occasioned by rapid changes in technology, and in Mari culture. With the continued support of the government and other stakeholders, RIAT will maintain its status as a centre of excellence in the region for aquaculture and expand this into other areas of the Blue Economy.

For 

DR.LILY KISAKA

BOARD CHAIR PERSON

**(v) Report of the Principal**

It is with great honour and pleasure that I present the Annual Report and Financial Statements for Ramogi Institute of Advanced Technology(RIAT) for the year ended 30<sup>th</sup> June 2022. Since its establishment, the Institute has continued to execute its mandate as envisioned in the mission; *“to produce Quality skilled and self-driven technical and Vocational Education graduates with innovative and creative competencies relevant to industrial development”* The Institute’s mandate and core activities are anchored in the Technical and Vocational and Education Training Act 2013.

The Institute is keen on providing training that is relevant and that creates job creators and not job seekers. To enhance the realization of this, there is a very functional career guidance services office that guides trainees in meeting their academic and career goals. Further for holistic training, the trainees are also offered guidance and counselling services. In the interest of increasing access to TVET, the face of the Institute has been improved through renovations, paintings, landscaping, creation and improving walkways.

Some of the key achievements in the year 2021/2022 FY:

- Increased in trainee enrolment from 5594 to 5958 (6.51 % increase); Introduction of market driven CBET courses; Purchase of Institute Van (7Seater) and Accessories; Procurement of Additional ERP (Procurement and stores Asset Management, Bank Integration Pay As You Eat and Accommodation); Construction of Tuition Block Phase 1; Paving Concrete blocks (cabros) from Ramogi House to Ladies Hostel; Construction of staffroom and store for non-teaching staff; Procurement of a standby generator; Construction of a generator house; Construction of two (2) staff houses; Purchase of computers and textbooks

The Institute appreciates the collaboration with development partners in the interest of offering quality and relevant training. Specifically:

- GIZ:Skills Initiative for Africa for ATVET for women for training women in agripreneurship
- ENABLE Youth Kenya programme for training and incubating youths in agricultural value chains, for construction of baby retention unit and poultry unit and slaughter slab, and provision of training equipments
- Israeli government through MASHAV for offering internship opportunities for trainees in Israel
- GIZ Agri-Jobs 4 Youths for training youths in agricultural value chains and provision of training equipments for their contribution and support.
- Promotion of Youth Employment and Vocational Training in Kenya for the promotion of Dual Cooperative Training in Refrigeration and Air Conditioning
- Aquaculture Business Development Programme (ABDP) for the support to aquaculture section

**Financial performance report**

During the year, the Institute raised a total revenue of Kshs 153,917,010(58%) from the expected revenue budget of Kshs261, 579,651. Low revenue performance was as a result of non-remittance of capitation grants for quarter four and low fee collection. This matter was reported to the Board and strategies have been put in place to ensure full fee collections. Some of the strategies include creation of HELB and Capitation desk to assist needy students apply for loans and ensure accurate

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

trainees details are captured for capitation disbursements and involvement of the Head of Departments amongst others.

The revenue was utilized to ensure smooth for running the Institution . The Institute did not have any pending bill by the end of the Financial year.

Despite the achievements, RIAT still experience challenges that include: Inadequate Infrastructure (Training rooms, workshops and laboratories, trainees hall), Fees collection – as Government capitation continues to dwindle, and Land issues (encroachment, and conflict over RIAT Kibos land with KESREF)

RIAT is in the right direction concerning skills development and is positioning itself with the support of the Board, Government and Stakeholders to be a centre of excellence in this region

I thank the Board of Governors for their leadership and guidance throughout the year and the members of Staff for their commitment towards realizing the Institute's mandate.



MAREN OMONDI (MRS)

PRINCIPAL



**(vi) Statement Of Performance against Predetermined Objectives**

RIAT has 8 strategic pillars and objectives within its Strategic Plan for the 2021- 2022 FY. These strategic pillars are as follows:

- i. Access and equity for both gender
- ii. Institutional corporate governance/Management strengthening
- iii. ICT Infrastructure, Equipment and Technology
- iv. Research and Development
- v. Resources (funds and human)
- vi. Communication and public relations (Recognition)
- vii. Collaboration and linkages.
- viii. Physical Infrastructure

RIAT develops its annual work plans based on the above 8 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Institute achieved its performance targets set for the FY 2021/2022 period for its 8 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
i. Access and equity for both gender	Enhance Access and equity	✓ Increased enrolment of female trainees in SET	✓ Promote affirmative action	✓ Increased female enrolment in Science Engineering Technology from 1250 to 1500.
		✓ Construction of new Tuition block	✓ Expand facilities based on government priorities	✓ Construction of new Tuition block almost complete.
		✓ Introduction of ODeL/FaB	✓ Offer short flexible programmes for increased access ✓ Support TVET trainees ✓ Promote affirmative action for TVET trainees	✓ Industrial attachment of 1200 trainees. ✓ Incorporated UHC and drug and substance abuse into guidance and counselling department.

## Ramogi Institute Of Advanced Technology

Annual Report And Financial Statements for the year ended 30th June 2022

		<ul style="list-style-type: none"> <li>✓ Introduction of CBET Programmes.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reform and enhance education, training and guidance services</li> <li>Improve training programmes in MSE sector.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Solar PV training for ladies.</li> </ul>
ii. Institutional corporate governance/Management strengthening	Improve RIAT institutional corporate governance	<ul style="list-style-type: none"> <li>✓ Development and implementation of internal policy guidelines, embrace results based management in the Institution, implementation of ISO, M&amp;E tools, 2021/2022 reviewed budgets</li> </ul>	<ul style="list-style-type: none"> <li>✓ Develop/Review and implement institutional policies, strategies and programmes (HIV/AIDS, drug abuse, health and safety, and environmental awareness)</li> <li>✓ Embrace result based management in the training system</li> <li>✓ Meet ISO certification requirements</li> <li>✓ Develop and implement M&amp;E systems</li> <li>✓ Maintain pending bills to less than zero (0)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Board Charter approved</li> <li>✓ ISO 9001: 2015 almost complete at 90%</li> </ul>
iii. ICT infrastructure, Equipment and Technology	Promote effective integration of ICT	<ul style="list-style-type: none"> <li>✓ Training of staff in ICT, online teaching and learning, implementation of MIS</li> </ul>	<ul style="list-style-type: none"> <li>✓ Develop adequate ICT capacity and infrastructure</li> <li>✓ Institutionalise Management Information System (MIS)</li> <li>✓ Promote the use of ICT in Curriculum delivery and management systems</li> <li>✓ Develop an ICT Policy</li> </ul>	<ul style="list-style-type: none"> <li>✓ Staff trained on MIS,</li> <li>✓ MIS software procured,</li> <li>✓ Online classes introduced,</li> <li>✓ Smart class rooms equipped.</li> <li>✓ Procurement of more computers</li> </ul>
iv. Research and Development	Institutionalize effective research and development	<ul style="list-style-type: none"> <li>✓ Innovation exhibits, participation in TVET Fairs/exhibitions.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Develop mechanisms for Innovations, R&amp;D collaboration among TVET institutions.</li> <li>✓ Promote the use of</li> </ul>	<ul style="list-style-type: none"> <li>✓ Exhibits developed for TVET Fair,</li> </ul>

			<p>research results in technology development and transfer</p> <ul style="list-style-type: none"> <li>✓ Develop Innovations, and R&amp;D infrastructure to include intellectual property right.</li> <li>✓ Promote Innovations among students and staff</li> </ul>	
v. Resources (funds and human)	Diversify sources and increase funding	<ul style="list-style-type: none"> <li>✓ Income generating activities</li> <li>✓ Fish ponds.</li> <li>✓ Rental income.</li> <li>✓ Asset hair, etc.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Increased GoK capitation by increasing enrolment.</li> <li>✓ Exploit external funding possibilities through proposal writing</li> <li>✓ Develop competencies in staff to do research and development.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Increased capitation,</li> <li>✓ Developed funding proposals,</li> <li>✓ Increased acreage cultivated at Kibos farm,</li> </ul>
vi. Communication and public relations (Recognition)	To develop an effective and efficient communication system internally and externally at all levels and to enhance the image and visibility of RIAT	<ul style="list-style-type: none"> <li>✓ Corporate Social Responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Improve the image of TVET through RIAT.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Participated in community activities,</li> <li>✓ Participated in sports,</li> <li>✓ Collaboration with the County government.</li> </ul>
vii. Collaboration and linkages	Enhanced linkages collaboration and partnership	<ul style="list-style-type: none"> <li>✓ Signing of MOUs/MOAs, community trainings,</li> </ul>	<ul style="list-style-type: none"> <li>✓ Establish collaborations and linkages</li> <li>✓ Strengthen existing collaboration and linkages</li> <li>Establish benchmarks and joint cooperation networks with local and international TVET Institutions</li> </ul>	<ul style="list-style-type: none"> <li>✓ ENABLE (Empowering Novel Agri-Business Led Employment);</li> <li>✓ Associated Schools Project Network (ASPnet) by UNESCO;</li> <li>✓ GIZ Youth for Employability Skills Project, GIZ – Skills Initiative for Africa – ATVET for Women</li> <li>✓ Commonwealth of Learning,</li> <li>✓ MASHAV, Embassy of Israel, and</li> <li>✓ East African Aquaculture Project (True Fish).</li> </ul>

**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

viii. Physical Infrastructure	Upgrade infrastructure	<ul style="list-style-type: none"> <li>✓ . Reviewed master plan, improved TVET equipment, improved information and communications systems</li> </ul>	<ul style="list-style-type: none"> <li>✓ Develop a framework for improving and increasing physical facilities</li> <li>✓ Improve TVET equipment, information and communication systems</li> </ul>	<ul style="list-style-type: none"> <li>✓ Installed ERP database</li> <li>✓ Construction of New Tuition Block</li> <li>✓ concrete blocks (Cabros) to Ladies Hostel</li> <li>✓ Construction of a bus garage</li> <li>✓ Construction of Non-teaching staffroom</li> <li>✓ Purchase of van</li> <li>✓ Students Lecture chair</li> <li>✓ Procurement of a standby Generator</li> <li>✓ Construction of two staff houses(WIP)</li> <li>✓ Solar street lighting</li> </ul>
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**(vii) Corporate Governance Statement****The Board****1) Composition and Size of the Board**

Ramogi Institute of Advanced Technology (RIAT) is governed by a Board. The Board membership comprises Nine (9) members; Chairman, Secretary and six (6) members. These members will then appoint among themselves, the Board chair and members of the respective functional committee as need arises, The Principal is the Secretary to the Board.

**2) Appointment to the Board**

The Cabinet Secretary, Ministry of Education after wide consultation from strategic partners, appoints the members of the Board and individuals who share the value, commitments and have an interest to work with RIAT. The recruitment to Board membership is through headhunting, recommendations by management, Staff and other Board members, interviews and consensus among the Board members.

**3) Board Diversity**

The membership comprises;

- a) A Chairperson
- b) A representative of the PS in the Ministry responsible for Technical and Vocational Training
- c) Six other persons appointed on the basis of their knowledge and experience in
  - i. Leadership and Management
  - ii. Financial Management
  - iii. Technology
  - iv. Industry
  - v. Engineering
  - vi. Law

**4) Board and Member Performance.****a) Board Attendance**

Below is an extract from the attendance register for the Board meetings held in the period from 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022

S/No.	Name	No.of eligible Meetings	Actual Meetings	Attendance
1.	Dr.Lily Kisaka	4	5	5
2.	Hanif N.Rana	4	4	4
3.	Eng.Mary Onyango	4	4	4
4.	Eng.James K.Opindi	4	5	5
5.	Rose Omollo	4	5	5
6.	Esther Chege	4	4	4
7.	Gladys A.Asewe	4	5	5
8.	Maren Omondi(Principal)	4	5	5
9.	John Tuwei(PS rep)	4	2	

\* John Tuwei (PS rep) joined in September 2021

\*There was one special Full Board of Governors meeting in the year.

## Ramogi Institute Of Advanced Technology

Annual Report And Financial Statements for the year ended 30th June 2022

### b) Board Composition and Committees

The following table represents the Board composition and its committees .There are four committees of the Board and each member is appointed to a committee. Each committee has at least three members.

Member	Full Board	Finance Infrastructure and Resource Mobilisation (FIRM)	Human Resource and Planning	Audit and Risk(ARC)	Education Research and Training(ERT)
Dr.Lily Kisaka	√*				
Eng.James Opindi	√	√*			√**
Eng.Mary Onyango	√	√			√*
Gladys Asewe	√		√**		√*
Rose Omollo	√			√*	
Hanif M.Rana	√	√**	√*		
Esther N.Chege	√			√	
Maren Omondi(Principal)	√	√	√		√
John Tuwei(PS rep.)	√			√	

\*Chairperson of the Board /Committees

\*\* Previous Committee Chairperson

**Note:** There was reshuffling of Committee Chairpersons in the course of the year.

### c) Board Committee Attendance

#### i) Finance Infrastructure and Resource Mobilisation

Members	No. of Eligible Meetings	No. of Meetings attended	Attendance
Eng.James Opindi	4	8	8of 4
Eng.Mary Onyango	4	8	8of 4
Hanif M.Rana	4	8	8of 4

\*4 Special committee meetings were held

#### ii) Human Resource and Planning Committee

Members	No. of Eligible meetings	No. of Meetings attended	Attendance
Hanif M.Rana	4	5	5 of 4
Gladys Asewe	4	5	5 of 4
Maren Omondi	4	5	5 of 4

• I special committee meeting was held

#### iii) Audit and Risk Committee

Members	No. of Eligible meetings	No. of Meeting attended	Attendance
Rose Omollo	4	4	4 of 4
Esther Chege	4	4	4of4
Ezekiel Odongo	4	4	4 of 4
John Tuwei	4	4	4 of 4

## iv) Education, Research &amp; Training Committee

Members	No. of Eligible meetings	No. Meeting attended	Attendance
Eng. James Opindi	4	6	6 of 4
Eng. Mary Onyango	4	6	6 of 4
Gladys Asewe	4	6	6 of 4
Maren Omondi	4	6	6 of 4

\*Two special committee meetings were held.

**5) Removal of Board members**

Membership to the Board shall be for a period of three years (3). Retiring of a Board member who has successfully completed his/her constitutional term in office is eligible for re-appointment for a period of one (1) term. Succession plan is a preserve of the Ministry of Education.

**6) Conflict of interest**

If a member is directly or indirectly interested in any contract, proposed contract or other matter before a Board of Governors and is present at a meeting of the Board of governors at which the contract, proposed contract or other contract or other matter is the subject of consideration, he/she shall at the meeting and as soon as reasonably practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of or vote on, any questions with respect to the contract or other matter to be counted in the quorum of the meeting during consideration of the matter

A disclosure of interest made under this paragraph is recorded in the minutes of the meeting at which it is made.

**7) Disqualification of Members**

A member may cease Board membership if he /she

- Fails to attend three consecutive meeting of the Board without a written apology
- Resigns in writing
- Removed from the Board by a resolution duly passed as provided for in the constitution
- Becomes bankrupt
- Becomes of un sound mind

**8) Roles and Functions of the Board**

- Oversee the conduct of education and training at RIAT in accordance with the provisions of the TVET Act and any other written law.
- Promoting and maintaining standards, quality and relevance in education and training in RIAT
- Administer and manage the property of the institution
- Develop and implement RIAT Strategic plan
- Prepare annual estimates of revenue and expenditure for the institution and incurring expenditure on its behalf
- Receiving on behalf of the institutions fees grants subscriptions donations, bequests, or other monies to make disbursement to the institution or other bodies or persons
- Developing the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act
- Mobilizing resources for the institution
- Developing and reviewing programmes for training and to make representatives thereon to the Board

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

- j) Regulating the admission and exclusion of students from the institution, subject to a qualifications framework and the provision of this Act.
- k) Approving collaboration or associations with other institutions and industries in and outside Kenya subject to prior approval by the cabinet secretary
- l) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry
- m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority
- n) Making regulations governing institution conduct and discipline of the staff and students
- o) Preparing comprehensive annual reports on all areas of their mandate, including Education and Training services and submit the same to the cabinet Secretary
- p) Providing for the welfare of the students and staff of the institution
- q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Institutions
- r) Discharging all other functions conferred upon it by this Act or any other written law.

### **9) Remuneration and Expense Disbursement**

The remuneration of the members is within the benchmarks of the set by the TVET Act more specific in reference to ability to pay and is by way of sitting allowance only. The members are paid all travelling expenses from their ordinary place of residence to the place where the meetings of the members or any committee of the members or general meeting of the institute in connection with the business of the Institute.

Any member who being so required by the Board performs special or extraordinary services on behalf of the institution or who travels outside Kenya for discharging his duties may be paid such extra remuneration as the Board may determine. Sitting allowance is paid at Kshs 20,000 and Kshs 25,000 for members and chairpersons respectively less taxes. Board members are also paid daily subsistence allowance at Kshs 14,000 and a Honoraria for the chairlady at Kshs 60,000 per month less taxes.

The Institute/Board keeps track of the expenditures of the meetings of the Board and its committees and ensures that these do not exceed 5% of the recurrent expenditure of the Institution.

### **10) Board Charter**

The Board Charter for the Institute was approved on 10<sup>th</sup> June 2022. The charter outlines, powers and responsibilities of the Board and its members, appointment, remuneration, term of the Board members, Board practices and procedure, Board documents and information, Performance and evaluation of Board members Management reporting among others.

### **11) Board Evaluation**

The performance of the Board and its members is evaluated on a regular basis. During the 2021 /2022FY, a representative from the Directorate of Technical Education undertook the Board evaluation. This was aimed at enabling the Board and its members to gauge their performance and identify areas of improvement

### **12) Ethics and conduct**

The Chairperson guides the process of the meeting. It is the responsibility of the Chairperson to take measures to ensure that the proceedings are kept fair, civil and orderly. The following procedural guidelines are observed;

- i. The chairperson satisfies him/herself that the meeting was duly convened and is quorate at all meetings

- ii. The discussion follows the sequence as of the agenda as adopted
- iii. Discussion at each stage is normally the item under consideration
- iv. The chairperson signals the end of a discussion and sums up the sense of the meeting so that a suitably worded decision or conclusion is formulated for inclusion in the minutes
- v. The Chairperson signals when a member may speak

### **13) Courtesy**

There are common rules of courtesy which the Board members observe and these include; punctuality, Use of mobile phones, apologies,etc.

### **14) Virtual Meetings**

One or more members may participate in a meeting of the Board or a Committee of the Board or of Stakeholders by means of online meeting or similar communication.

## Ramogi Institute Of Advanced Technology

Annual Report And Financial Statements for the year ended 30th June 2022

### (viii) Management Discussion and Analysis

Summary of financial results against the budget

Period ending June 30,2022	Budget 2021/2022 FY	Actual 2021/2022	Utilization
Revenue	258,313,640	153,924,810	59%
Expenditure	258,313,640	204,814,043	79%

The Institute was able to raise 59% of the budgeted revenue and utilized 79% of the budgeted expenditure by the end of the year.

#### Entity's compliance with statutory requirements

To the best of our knowledge, the Institute complied with all statutory requirements including NSSF, NHIF, NITA and KRA.

#### Key projects and investment decisions the entity is planning/implementing

	Project	Duration	Completion % to date	Sources of funds	Remarks
1	Construction of a Tuition Block Phase 1	2 years	39%	Internally Generated Revenue	Contract price Kshs 40,065,895.50
2	Purchase of Institute vehicle (7 Seater) and Accessories	1 year	100%	Internally Generated Revenue	Procured at a total costs of Kshs 8,664,070
3	Additional ERP	1 year	100%	Internally Generated Revenue	Procurement and Stores Assets Management Bank Integration Pay As You Eat Accommodation At a total cost of Kshs 6,148,000
4	Construction of two(2) staff houses	1 year	1. 33% 2. 85%	Internally Generated Revenue	1. Kshs 4,019,393.20 2. Kshs 4,015,061.60
5	Construction of a Bus garage	1 year	100%	Internally Generated Revenue	Constructed at Kshs 2,998,180
6	Non- teaching staffroom and Store	1 year	100%	Internally Generated Revenue	Constructed at Kshs 2,299,834

**Major risks facing the entity**

The major risks facing the Institute are:

- i. Inadequate Infrastructure(classrooms and hall)
- ii. Shortage of trainers
- iii. Challenges of fee collection
- iv. Non-funding of development projects.
- v. Lack of Land title deeds
- vi. Encroachment on the Institute's land
- vii. General increase in prices of commodities

**Material arrears in statutory/financial obligations**

To the best of our knowledge the Institute does not have any statutory arrears or financial obligations. Commitments are made subject to availability of funds.

**The entity's financial probity and serious governance issues**

To the best of our knowledge the Institute does not have any serious governance issue.

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

### **(ix) Environmental and Sustainability Reporting**

RIAT exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the Institute's strategic objectives.

#### **Sustainability strategy and profile**

RIAT key sustainability strategies include environmental and social responsibility, human resource development, innovation and strict adherence to statutory and regulatory guidelines of the Government of Kenya.

#### **Environmental performance**

RIAT follows directives and guidelines from NEMA (National Environmental Management Authority) and Institutes Environmental Impact Assessment (EIA) of all her projects and programs. The top management is well vast with policy content and requirements as a guide in environmental decision making.

RIAT has established a botanical garden to preserve the biodiversity of the area it operates. Native and indigenous trees have been preserved even in the beautification efforts by the institution. The biggest challenge has been unpredictable weather patterns.

Environmental awareness and sensitization of students and staff has been placed at the center stage of RIAT operations.

#### **Employee welfare**

RIAT has a recruitment and selection policy. The management involved employees when it formulated the policy. The policy has significantly reduced employee turnover and made it easier for the organization to select the right staff. The RIAT recruitment policy has ensured: Gender balance, transparency, merit based hiring and consistency. RIAT continually develops skills for her employees to improve organization performance.

Annual Performance Appraisal and Training Needs Assessment are done to establish how well the employees are performing their duties as well as the employees that need training, salary increment and job promotion.

RIAT adheres to OSHA Act 2007 guidelines to: identify workplace hazards, evaluate health safety conditions, design and conduct health and safety surveys, recommend training for new and existing employees, recommend and track new safety practices and Accident / Incident Investigations

### **Market place practices**

RIATs fidelity to anti-corruption practices remains steadfast. A committee on anti-corruption is operational and reports to the EACC quarterly and annually on progress. Students and staff are allowed to do public participation both internally and for the county program based budgets and national public participation activities.

RIAT remains committed to access to Government Procurement Opportunities and promotion of local content in her procurement processes. The Board reserves 30% of all procurement for Persons with disabilities(PWDs), Youth and Women and a further 2% specifically for PWDs. RIAT announces all tenders in mainstream media and follows all laid down guidelines in evaluating and awarding contracts. All pending bills are maintained at less than or equal to zero every financial year.

RIAT programs are advertised on her website, through the print and electronic media with clear guidelines on maintenance of ethical community standards.

Lastly, RIAT practices the three consumer rights in all her operations. An inquiry desk handles those seeking information, service delivery charters are prominently displayed at every service counter and a complaints and complements desk exists for those willing to complain about a service or offer complements. A complaints hotline is provided for those wishing to call.

### **Education**

In the past year RIAT has admitted disadvantaged/marginalized students through the NYS and LAPSET programs. This is besides admitting countless others and assisting them to get HELB funding to remain in school. This has enhanced access to college education and acquisition of skills by students from all walks of life.

### **Sports**

RIAT participates in competitive sports within and without through KATTI organized sporting activities as well as friendly matches with partner institutions. However, this FY the sporting activities were disrupted by COVID-19 pandemic. These sports have enhanced cohesiveness within the institution and the country at large.

## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

### **Healthcare**

RIAT has established an operational clinic manned by a qualified Clinical Officer to attend to both students and staff as well as operationalized an effective Guidance and Counseling Unit that also promotes Universal Health Care activities within the Institute. These activities have resulted in decreased incidences of STI, general health awareness creation, improved levels of health awareness, improved levels of physical health as well as mental health within the Institute.

### **Labour Relations**

The Institute carries out Training Needs Assessment, Gap Analysis and staff performance appraisals and commits to the same as yearly performance targets in PC. This has enabled top management to make objective decision on placement for training opportunities from time to time.

### **Water and Sanitation Initiatives**

Kisumu Water and Sewerage Company provides the Institute with clean water. This is supplemented with rain water harvested by RIAT. The Institute has expanded ablution facilities and constructed hand washing points to enhance hygiene and adhere to WHO Covid 19 Protocols

### **Corporate Social Responsibility / Community Engagements**

#### **E-COOKING HUB LAUNCH**

The Institute in collaboration with the African Centre for Technology Studies (ACTS) launched the E-Cooking on Wednesday 29<sup>th</sup> June 2022 at RIAT campus grounds. E-cooking hub will champion the clean cooking agenda in the Nyanza and Western region of Kenya.

ACTS is the main Kenyan partner on the modern Energy cooking services (MRCS) program working to promote clean cooking transitions globally. The program has mainly focused on how to enable the World's 3 billion people who still cook with biomass as the main cooking fuel to transition to modern, truly "clean" cooking solutions such as electricity, LPG gas, and clean cook stoves. Several local women group leaders were trained as champions



**Ramogi Institute Of Advanced Technology**  
Annual Report And Financial Statements for the year ended 30th June 2022



**(x) Report of The Board Of Governors**

The Board members submit their report and financial statements for the year ended June 30<sup>th</sup> 2022, which show the state of the RIAT affairs.

**Principal activities**

The core mandate of RIAT is to equip youths with relevant skills necessary for the country's industrialization. The Institute provides vocational and technical training for self-reliance to graduates of secondary and primary schools to enable them enter the global world of work.

**Results**

The results of the institution for the year ended June 30 2022 are set out on pages 41-57

**Board of Governors**

The members of the Board who served during the year are shown on pages vii - ix

**Auditors**

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

By Order of the Board

Maren Omondi (Mrs)

**Secretary of the Board**

Date: 30.03.2023



## **Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

### **(xi) Statement of Board of Governors Responsibilities**

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

The Board members are responsible for the preparation and presentation of the institution's financial statements, which give a true and fair view of the state of affairs of the institution for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes:

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

The Board members accept responsibility for the Institution's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the TVET Act) – institutions should quote applicable legislation as indicated under). The Board members are of the opinion that the institution's financial statements give a true and fair view of the state of institution's transactions during the financial year ended June 30, 2022, and of the institution's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the institution, which have been relied

**Ramogi Institute Of Advanced Technology**

Annual Report And Financial Statements for the year ended 30th June 2022

upon in the preparation of the institution's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the council 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 financial statements were approved by the Board on 16<sup>th</sup> September 2022 and signed on its behalf by:

FOR *Hanyana*

.....  
Name **Dr.Lily Kisaka**  
Chairperson of the Board

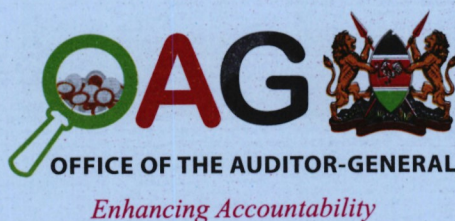
*Maren Omondi*

.....  
Name **Maren Omondi(Mrs)**  
Accounting Officer/Principal



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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Adverse Opinion

I have audited the accompanying financial statements of Ramogi Institute of Advanced Technology set out on pages 1 to 39, which comprise the statement of financial position

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*Report of the Auditor-General on Ramogi Institute of Advanced Technology for the year ended 30 June, 2022*

as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Ramogi Institute of Advanced Technology as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Technical Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

## **Basis for Adverse Opinion**

### **1.0. Unconfirmed Revenue from Rendering Services**

The statement of financial performance reflects rendering of services - fees from students balance of Kshs.68,874,535 and, as disclosed in Note 8 to the financial statements, the amount relates to various fees paid by the students totalling to Kshs.143,169,535, net of capitation grants from the parent Ministry of Kshs.74,295,000. However, Management did not provide records of these fees amounts. Further, review of records provided for audit revealed that the trainee enrolment in the year increased from 5,594 to 5,958 with each trainee expected to pay Kshs.54,200 per year before any government capitation, resulting to total expected fees of Kshs.322,923,600. Considering the fees charged, and the number of students in session, the fees amount disclosed appears understated.

In the circumstances, the accuracy and completeness of the rendering of services - fees from students balance of Kshs.68,874,535 could not be confirmed.

### **2.0. Receivables from Exchange Transactions**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.103,432,922 as disclosed in Note 19 to the financial statements. However, the following audit issues were noted:

#### **2.1. Unconfirmed Student Debtors**

The balance of Kshs.103,432,922 includes student debtors amount of Kshs.97,209,800 which agrees with the balance in the supporting ledger provided for audit. However, Management did not provide a breakdown of students who were to pay school fees during the year and those who paid school fees. As a result, the authenticity of the ledger provided could not be confirmed. In addition, an age analysis of the student debtors was not provided for audit.

In the circumstances, the accuracy, completeness, and recoverability of the student debtors balance of Kshs.97,209,800 could not be confirmed.

## **2.2. Long Outstanding Rent Arrears**

The balance of Kshs.103,432,922 also includes rent arrears amount of Kshs.280,500, some dating as far back as the 2017/2018 financial year. However, no explanation was provided on why these outstanding rents were not recovered from the tenants' salaries. Further, it was noted that the Institute was charging rent of Kshs.2,550 for a two-bedroomed house based on the Teachers Service Commission (TSC) Circular No.7/2001, which gave guidelines on rents to be charged to staff for various housing provided to them. The Circular has however been replaced and the rent revised to Kshs.7,000. Although Management explained that the Board had plans to renovate the houses before revising rent payable, no documentary evidence was provided to support this explanation.

In the circumstances, the recoverability of rent arrears amounting to Kshs.280,500 could not be confirmed.

## **3.0. Non-Compliance with IPSAS 17 - Failure to Charge Depreciation and Amortization**

The statement of financial position reflects property, plant and equipment and intangible assets balances of Kshs.1,751,895,507 and Kshs.11,333,600 respectively, as disclosed in Note 21 and Note 22 to the financial statements. However, during the year under review, no depreciation and amortization were charged on the assets, contrary to the requirements of the reporting template prescribed by the Public Sector Accounting Standards Board (PSASB). In addition, the Institute did not have a depreciation policy as required by the International Public Sector Accounting Standard (IPSAS) 17 on depreciation.

In the circumstances, the accuracy and completeness of the reported property, plant and equipment and intangible assets balances could not be confirmed. Also, the financial statements do not comply with IPSAS.

## **4.0. Unsupported Adjustments in the Statement of Comparison of Budget and Actual Amounts**

The statement of comparison of budget and actual amounts reflects original budget of Kshs.258,313,640 and a final budget of Kshs.261,579,651, resulting to an adjustment of Kshs.3,266,011 which is, however, not reflected in the adjustment column.

In addition, the statement reflects use of goods and services actual expenditure of Kshs.104,936,346, while the statement of financial performance reflects a corresponding amount of Kshs.95,731,532, resulting to a variance of Kshs.9,204,814 which has not been explained as required by the PSASB.

In the circumstances, the accuracy of the statement of comparison of budget and actual amounts could not be confirmed.

#### **5.0. Unsupported Increase in Deposits in the Statement of Cash Flows**

The statement of cash flows reflects deposits amount of Kshs.19,940,067 during the year under review, while the statement of financial position shows that no deposits were received during the year as refundable deposits from customers balance of Kshs.4,816,511 as at 30 June, 2022 is the same balance reported in the previous year. However, Management did not provide an explanation on the increase in deposits as reflected in the statement of cash flows.

In the circumstances, the accuracy of the cash and cash equivalents balance disclosed in these financial statements could not be confirmed.

#### **6.0. Misclassification of Expenditure - Transfers from Contracted Services**

The statement of financial performance reflects use of goods and services balance of Kshs.95,731,532 which, as disclosed in Note 13 to the financial statements, includes transfers from contracted services amount of Kshs.1,202,640. However, audit review revealed that out of the latter amount, Kshs.1,050,140 was spent on professional services while Kshs.152,500 was spent on catering and conference services.

In the circumstances, the expenses of Kshs.1,202,640 were not properly classified.

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

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

#### **Other Matter**

##### **1.0. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.261,579,651 and Kshs.153,924,819 respectively, resulting to an underfunding of Kshs.107,654,841 (or 41% of the budget). Similarly, the Institute expended Kshs.204,814,043 against the budgeted expenditure of

Kshs.261,579,651, resulting to an under expenditure of Kshs.56,765,608 (or 22% of the budget).

The under-funding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

## **2.0. Prior Year Matters**

In the audit report for the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues nor given any explanation for failure to address them.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1.0. Non-Remittance of Statutory Deductions**

The statement of financial position reflects current provisions (employee benefit obligation) balance of Kshs.5,166,132 which includes Kshs.1,147,543 in respect of tax deducted from two (2) employees who received their gratuity during the year under review. However, the latter amount was not remitted to Kenya Revenue Authority as required by the Income Tax Act, and is likely to attract penalties to the Institute in future.

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

#### **2.0. Non-compliance with Law on Ethnic Diversity in Staffing**

During the year under review, the total number of employees of the Institute was ninety-three (93) out of which, seventy (70) (or 75 % of the total number) were members of the same ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008, which states that all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community.

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

### **3.0. Farm Produce Vs Expenses**

The statement financial performance reflects sale of goods amount of Kshs.5,076,921 which, as disclosed in Note 9 to the financial statements, includes revenue from farm produce of Kshs.497,639. However, as disclosed in Note 13 to the financial statements, the Institute spent Kshs.1,095,500 on the farm, resulting in a loss of Kshs.597,861.

In the circumstances, value for money of the expenses of Kshs.1,095,500 on the farm could not be confirmed.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Bad Debts Written Off**

The statement of financial performance reflects bad debts written off amount of Kshs.916,701. However, according to Note 19 to the financial statements, the Institute had not made a provision for bad debts and there was no debtors policy to guide the write off.

In the circumstances, Management may have irregularly written off debts amounting to Kshs.916,701.

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

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

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting, unless Management is aware of the intention to terminate the Institute or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 the Institute's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the Institute to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute 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 Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

12 May, 2023

**(xiii) Statement of Financial Performance for The Year Ended 30 June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Revenue from Non-exchange transactions</b>			
Transfers from the National Government entities	6	74,295,000	69,315,000
Grants from Donors and Development Partners	7	2,727,000	-
		<b><u>77,022,000</u></b>	<b><u>69,315,000</u></b>
<b>Revenue from exchange transactions</b>			
Rendering of services-Fees from students	8	68,874,535	61,628,490
Sale of goods	9	5,076,921	1,668,393
Rental revenue from facilities and equipment	10	2,412,343	1,190,200
Finance income	11	526,211	702,859
other income	12	5,000	-
		<b><u>76,895,010</u></b>	<b><u>65,189,942</u></b>
<b>Total revenue</b>		<b><u>153,917,010</u></b>	<b><u>134,504,942</u></b>
<b>Expenses</b>			
Use of goods and services	13	95,731,532	54,967,780
Employee costs	14	29,631,353	20,862,911
Board of governors expenses	15	5,953,414	5,078,339
Repairs and maintenance	16	5,596,314	12,510,535
Contracted Services	17	3,088,500	4,920,400
Bad debt written off	19	916,701	-
<b>Total Expenses</b>		<b><u>140,917,814</u></b>	<b><u>98,339,965</u></b>
<b>Net surplus for the year</b>		<b><u>12,999,196</u></b>	<b><u>36,164,977</u></b>

The Financial Statements set out on pages 1 to 42 were signed by:

Chairman of Board

*FOR: Hawzana*

Date 8/3/2023

Finance Officer

*Alton*  
ICPAK No 24450

Date 8/3/2023

Principal

*Shilinda*

Date

8/03/2023



**Ramogi Institute Of Advanced Technology**  
Annual Report And Financial Statements for the year ended 30th June 2022

**(xiv) Statement of Financial Position as At 30<sup>th</sup> June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	18	50,688,547	74,228,221
Receivables from exchange transactions	19	103,432,922	67,730,428
Inventories	20	1,422,926	1,502,220
		<b><u>155,544,395</u></b>	<b><u>143,460,869</u></b>
<b>Non-current assets</b>			
Property, plant and equipment	21	1,751,895,507	1,693,750,577
Intangible assets	22	11,333,600	5,185,600
		<b><u>1,763,229,107</u></b>	<b><u>1,698,936,177</u></b>
<b>Total assets</b>		<b><u>1,918,773,502</u></b>	<b><u>1,842,397,046</u></b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	23	2,379,827	2,147,954
Refundable deposits from customers	24	4,816,511	4,816,511
Current provisions(Employee benefit obligation)	25	5,166,132	6,313,675
		<b><u>12,362,470</u></b>	<b><u>13,278,140</u></b>
<b>Non-current liabilities</b>			
<b>Total Liabilities</b>		<b><u>12,362,470</u></b>	<b><u>13,278,140</u></b>
<b>Net assets</b>		<b><u>1,906,411,032</u></b>	<b><u>1,829,118,906</u></b>
Accumulated Surplus		143,181,925	130,182,729
Capital Fund		1,763,229,107	1,698,936,177
<b>Total net assets and liabilities</b>		<b><u>1,918,773,502</u></b>	<b><u>1,842,397,046</u></b>

The Financial Statements set out on pages 1 to 42 were signed by:

Chairman of Board

For: *Haniama*

Date 8/3/2023

Finance Officer

*Otieno*  
ICPAK No 24450

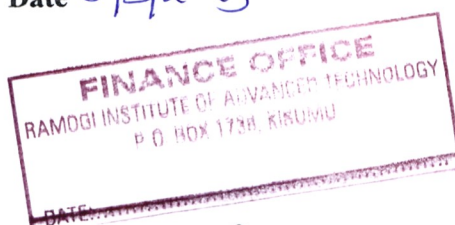
Date 8/3/2023

Principal

*Mutitu*

Date

8/03/2023



**(xv) Statement of Changes In Net Asset For the year ended 30 June 2022**

<b>Description</b>	<b>Retained Earnings</b>	<b>Capital Fund</b>	<b>Total</b>
<b>At July 1,2020</b>	<b>134,192,917</b>	<b>1,642,900,776</b>	<b>1,777,093,693</b>
<b>Add surplus for the year</b>	<b>36,164,977</b>	<b>15,860,236</b>	<b>52,025,213</b>
<b>Transfer from Retained Earnings to Capital Fund</b>	<b>(40,175,165)</b>	<b>40,175,165</b>	<b>-</b>
<b>At June 30,2021</b>	<b>130,182,729</b>	<b>1,698,936,177</b>	<b>1,829,118,906</b>
<b>At July 1 ,2021</b>	<b>130,182,729</b>	<b>1,698,936,177</b>	<b>1,829,118,906</b>
<b>Add surplus /Additions for the year</b>	<b>12,999,196</b>	<b>64,292,930</b>	<b>77,292,126</b>
<b>At June 30,2022</b>	<b>143,181,925</b>	<b>1,763,229,107</b>	<b>1,906,411,032</b>

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements for the year ended 30 June 2022

**(xvi) Statement of Cash Flows for the year ended 30 June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from National Government		74,295,000	69,315,000
Grants from Donors and Development Partners		2,727,000	-
Rendering of services-Fees from students		68,874,535	61,628,490
sale of goods		5,076,921	1,668,393
Rental revenue from facilities and equipment		2,412,343	1,190,200
Finance Income		526,211	702,859
Other income		5,000	-
<b>Total Receipts</b>		<b>153,917,010</b>	<b>134,504,942</b>
<b>Payments</b>			
Use of goods and services		95,731,532	54,967,780
Compensation of employees		29,631,353	20,862,911
Board of Governors Expenses		5,953,414	5,078,339
Repairs and Maintenance		5,596,314	12,510,535
Contracted services		3,088,500	4,920,400
<b>Total payments</b>		<b>140,001,113</b>	<b>98,339,965</b>
<b>Net cash flows from operating activities</b>	26	<b>20,813,189</b>	<b>(8,342,713)</b>
<b>Cash flows from Investing activities</b>			
Purchase of Property ,Plant, Equipment and Intangible assets		(64,292,930)	(15,860,236)
<b>Net cash flows used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Deposits receipts		19,940,067	(19,004,736)
<b>Net cash flows used in financing activities</b>		<b>(23,539,674)</b>	<b>(43,207,685)</b>
<b>Net increase/Decrease in cash and cash equivalents</b>			
Cash and cash equivalent at 1 JULY	18	74,228,221	117,435,906
<b>Cash and cash equivalent as at 30 JUNE</b>		<b><u>50,688,547</u></b>	<b><u>74,228,221</u></b>

The Financial Statements set out on pages 1 to 42 were signed by:

Chairman of Board  
For *Hawzana*

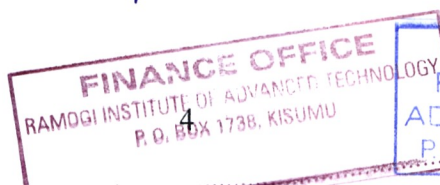
Date 8/3/2023

Finance Officer  
*(Signature)*  
ICPAK No 24450

Date 8/3/2023

Principal *(Signature)*

Date 8/03/2023



**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements for the year ended 30 June 2022

(xvii) **Statement of Comparison Of Budget And Actual Amounts For The Year Ended 30 June 2022**

	Original budget	Adjustments	Final Budget	Actual	Performance difference	Utilization Difference
	2021-2022 Kshs	2021-2022 Kshs	2021-2022 Kshs	2021-2022 kshs	2021-2022 Kshs	
<b>Revenue</b>						
Transfers from other Govt entities Govt grants	124,336,400		124,336,400	74,295,000	50,041,400	40%
Grants from Donors and development Partners	-		2,727,000	2,727,000		
Rendering of services-Fees from students	113,054,000		113,054,000	68,874,535	44,179,465	39%
Sale of goods	19,727,800		19,727,800	5,076,921	14,650,879	74%
Finance Income	-		526,211	526,211		
Rental Income	1,195,440		1,195,440	2,412,343	(1,216,903)	-102%
Other Income	-		12,800	12,800		
<b>Total Income</b>	<b>258,313,640</b>		<b>261,579,651</b>	<b>153,924,810</b>	<b>107,654,841</b>	<b>41%</b>
<b>Expenses</b>						
Compensation of employees	36,808,584		36,808,584	29,631,353	7,177,231	19%
Use of Goods and services	130,727,060		133,993,071	104,936,346	29,056,725	22%
Board of Governors Expenses	7,565,000		7,565,000	5,953,414	1,611,586	21%

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Payment for PPE and Intangible Asset	83,212,996		83,212,996	64,292,930	18,920,066	23%
Total Expenditure	<u>258,313,640</u>		<u>261,579,651</u>	<u>204,814,043</u>		
Deficit for the period	-	-	-	(50,889,233)		
<b><u>Reconciliation of Budget and Statement of Financial Performance</u></b>						
Deficit for the period				(50,889,233)		
Add back expenditure on PPE and Intangible Assets				64,292,930		
Bad debt written off				(916,701)		
Surplus reported in the Statement of Financial Performance				<u>12,486,996</u>		

**Notes**

- a) Underutilization in Grants from Government is as a result of Non-remittance of Capitation grant for quarter four 2021/2022 FY
- b) In b Gants from Donors was initiated during the year
- c) Low fee collection is as a result of fee collection challenges and low uptake of HELB loans by Trainees
- d) Low sales of goods is because of selling food to trainees at subsidized prices
- e) Finance income was not in the original budget since it was difficult to predict with accuracy
- f) Increase in rental income is as a result of income raised from hire of gowns to other Institutions
- g) Other income was not possible to predict with accuracy to be included in the original budget
- h) Underutilization in employee cost is as a result of low expenditure in capacity building
- i) Use of goods was not fully utilized because of cash flow challenges
- j) Board of Governors Expenses was underutilized because of cash flow challenges
- k) PPE budget was underutilized because of cash flow challenges
- l) Difference between original and final Budget is as a result of funds reallocations

(xviii) **Notes to the Financial Statements**

**1. General Information**

Ramogi Institute of Advanced Technology is established by and derives its authority and accountability from Technical Vocational Education and Training (TVET) Act 2013. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is Technical training.

**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. 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 *entity's* accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Institute*.

The financial statements have been prepared in accordance with the PFM 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 2022.**

IPSASB deferred the application date of standards from 1st January 2022 owing to covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.**

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting</p>

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Standard	Effective date and impact:
	<p>Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
<p>IPSAS 43</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p>

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

Standard	Effective date and impact:
	<p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**iii. Early adoption of standards**

The Institute did not early-adopt any new or amended standards in year 2022.

#### **4. Summary of Significant Accounting Policies**

##### **a) Revenue recognition**

##### **i) Revenue from non-exchange transactions**

###### **Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

##### **ii) Revenue from exchange transactions**

###### **Rendering of services**

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

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

###### **Sale of goods**

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

###### **Interest income**

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

###### **Dividends**

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

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

a) **Revenue recognition**

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 2021/2022 was approved by the Board on 28<sup>th</sup> January 2021. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the Board. The additional appropriations are added to the original budget by the Institute upon receiving the respective approvals in order to conclude the final budget.

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

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

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

c) **Taxes**

***Current income tax***

The entity is exempt from paying taxes as per the income tax Act.

***Sales tax/ Value Added Tax***

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

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

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

**d) Investment property**

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

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

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

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

**e) Property, plant and equipment**

All property, plant and equipment are stated at cost. . Cost includes expenditure that is directly attributable to the acquisition of the items

The Institute did not have a depreciation policy during the year. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets .Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**f) Leases**

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

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

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

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite

**h) Research and development costs**

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

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

Following initial recognition of an asset, the asset is carried at cost.

**i) 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 Entity determines the classification of its financial assets at initial recognition.

***Loans and receivables***

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

***Held-to-maturity***

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

***Impairment of financial assets***

The Institute doesn't have a policy on impairments or debts.

:

**i) Financial instruments**

*Financial liabilities*

*Initial recognition and measurement*

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

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

*Loans and borrowing*

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

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

**j) Inventories**

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

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

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

### **Inventories**

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

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

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

### **k) Provisions**

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

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

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

### ***Contingent liabilities***

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

### ***Contingent assets***

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

**l) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements.

**m) Changes in accounting policies and estimates**

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

**n) Employee benefits**

**Retirement benefit plans**

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

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

**o) Foreign currency transactions**

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

**p) Borrowing costs**

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

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

**q) Related parties**

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

**r) Service concession arrangements**

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

**s) 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 various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**t) Comparative figures**

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

**u) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions**

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

**Useful lives and residual values**

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

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

**Provisions**

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

**6 Transfers from other National Government entities**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
<b>Unconditional Grants</b>		
Capitation grants	74,295,000	69,315,000
<b>Total Government grants and Subsidies</b>	<b><u>74,295,000</u></b>	<b><u>69,315,000</u></b>

**7 Grants from Donors and Development Partners**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Agri jobs for Youth-GIZ	2,727,000	-
<b>Total</b>	<b><u>2,727,000</u></b>	<b><u>-</u></b>

**8 Rendering of Services**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Tuition fees	48,611,936	10,316,542
Activity fees	9,812,580	5,524,800
Registration fees	248,321	242,130
Electricity, Water and Conservancy	7,363,860	5,164,990
P.Emoluments	26,618,850	18,802,510
Local Travel and Transport	7,854,040	6,340,318
Repairs, Maintenance and Improvements	7,854,515	6,211,370
Development fees	19,963,646	14,140
Oral Exams	198,000	65,970
Students Accomodation	5,643,580	4,618,770
Students Union	2,024,230	1,423,750
Students ID	524,600	309,270
KNEC Project fee		

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

	5,889,070	2,593,930
Students Surcharge	68,630	-
Administration Fees	177	-
Stage Certificate	1,400	-
Education Trip Fee	5,100	-
Solar PV Training	327,000	-
Graduation Fees	160,000	-
Transfer of Capitation fund from School fees	(74,295,000)	
<b>Total Revenue from The Rendering Of Services</b>	<b><u>68,874,535</u></b>	<b><u>61,628,490</u></b>

**9 Sale of Goods**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Farm Produce	497,639	215,343
Sales from Cafeteria	3,495,991	1,420,110
Sugarcane	907,991	14,940
Assorted vegetables sales	-	18,000
Sales from Training Restaurant	53,200	-
School Fees from Training/Driving School	40,500	-
Sale of Empty Jericans from Kitchen	7,800	-
Sales of old stores	73,800	-
<b>Total Revenue from Sales of Goods</b>	<b><u>5,076,921</u></b>	<b><u>1,668,393</u></b>

**10 Rental revenue from facilities and equipment**

<b>Descriptions</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Rent Recoveries from payroll	160,800	140,400
Rent from PSC staff	119,850	122,400
Lease Income from Communication Authority of Kenya	694,335	693,400
Lease Income from safaricom		

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

	234,000	234,000
Hire of Graduation Gowns to Institutions	1,203,358	-
<b>Total</b>	<b><u>2,412,343</u></b>	<b><u>1,190,200</u></b>

**11 Finance Income**

<b>Descriptions</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Intrest from Co-operative bank	526,211	702,859
<b>Total finance income</b>	<b><u>526,211</u></b>	<b><u>702,859</u></b>

**12 Other Income**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Sale of Tender	5,000	-
<b>Total other income</b>	<b><u>5,000</u></b>	<b><u>-</u></b>

**13 Use of Goods And Services**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Training Materials	16,534,877	5,055,347
Water	800,075	530,930
Electricity	2,428,678	1,518,547
Admin.Costs	8,055,917	6,398,540
Local Travel and Transport	5,851,704	3,208,214
Medical Expense	1,946,444	830,351
Activity fees	4,575,318	36,000
Practical	5,451,426	3,749,475
Insurance	1,253,350	1,432,604
Student Union	2,415,702	1,169,800
Tender Expenses	235,392	36,500
Cafeteria Expenses	12,608,262	4,819,727
Bank Charges	310,792	164,262

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

Internal Examinations	-	10,640
Attachment expense	1,441,646	380,430
Student ID	347,800	193,500
Printing and stationery	4,155,845	996,173
Internet Expense	1,244,336	1,991,871
Centre costs	243,090	254,621
Marketing	1,806,500	87,500
Farm Expenses	1,095,500	1,040,570
KATTI	1,595,216	60,000
Legal Services	-	5,000
Newspapers	87,360	43,680
Telecommunications	72,400	117,876
Postage stamps	-	1,000
Security and Transport to bank	57,400	130,050
Purchase of cleaning materials	2,768,189	798,030
NITA Levy	42,300	639,545
Fuel and Oil	1,080,852	522,400
Fumigation	377,720	65,000
Oral Exams Expenses	231,685	168,500
Rachuonyo TVC	3,759,597	943,065
Computer accessories	-	642,370
Honoraria	-	1,021,782
Exams	-	15,903,880
CBET Examination	954,550	-
Agri Jobs for Youth GIZ	2,182,525	-
NYS sponsored Studens Meals	3,396,700	-

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Staff Uniforms	163,600	-
Trade Fair Expenses	1,471,610	-
Production Unit Expense	470,800	-
Graduation Expense	2,269,010	
Postal Box Rental Charge	7,725	-
Exhauster Services	58,000	-
Performance Contracting Expenses	34,000	-
KUCCPS	645,000	-
Transfer from Contracted services	1,202,640	
<b>Total good and services</b>	<b><u>95,731,532</u></b>	<b><u>54,967,780</u></b>

**14 Employee Costs**

Description	2021-2022	2020-2021
	kshs	kshs
B.O.G Employees Salaries	23,000,059	18,510,273
Honoraria	-	90,200
House Allowance	2,167,380	-
Wages	681,450	427,252
Employer NSSF	1,075,992	400,800
Capacity Building	2,706,472	1,434,386
<b>Total</b>	<b><u>29,631,353</u></b>	<b><u>20,862,911</u></b>

**15 Board Expenses**

Description	2021-2022	2020-2021
	kshs	kshs
Sitting allowance	3,599,814	3,505,000
Transport refund	1,032,402	592,575
Per Diem	892,418	700,000
B.O.G Trainings	302,700	241,766

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

Meals	126,080	38,998
<b>Total</b>	<b><u>5,953,414</u></b>	<b><u>5,078,339</u></b>

**16 Repairs and Maintenance**

Description	2021-2022	2020-2021
	Kshs	Kshs
Motorvehicles	555,698	2,304,941
Buildings	4,743,616	10,205,594
Equipment	297,000	-
<b>Total Repairs and Maintenance</b>	<b><u>5,596,314</u></b>	<b><u>12,510,535</u></b>

**17 Contracted services**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Total Contracted services</b>	<b><u>3,088,500</u></b>	<b><u>4,920,400</u></b>

**18 Cash and Cash equivalents**

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Accounts	50,688,367	72,386,454
Others		
Cash at Hand	180	10,158
Mpesa account No.3131419	-	1,831,609
<b>Total Cash and Cash Equivalents</b>	<b><u>50,688,547</u></b>	<b><u>74,228,221</u></b>

**18(a) Detailed Analysis of Cash and Cash equivalents**

	2021-2022	2020-2021
Financial Institution	Kshs	Kshs
(a)Current Account		
National Bank No.01020023523500	32,821,331	49,913,280
National Bank No.01020023523502	6,546	3,158,181
National Bank No.01047116398000	36,287	1,538,484
National Bank No.01047116319700	104	403,647
Co-operative bank No.01103870959601	17,820,124	17,372,862

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Equity Bank No.0290282012972	3,975	-
<b>Sub-Total</b>	<b>50,688,367</b>	<b>72,386,454</b>
<b>(b) Others</b>		
Cash in Hand	180	10,158
Mpesa account No.3131419	-	1,831,609
<b>Sub-Total</b>	<b>180</b>	<b>1,841,767</b>
<b>Grand Total</b>	<b><u>50,688,547</u></b>	<b><u>74,228,221</u></b>

**19 Current Receivable from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
Student Debtors	97,209,800	66,283,776
Rent Debtors	280,500	1,336,652
Salary Advances	49,550	110,000
Lease income from Safaricom	234,000	-
KNEC Exams	5,585,272	-
Sale of Old stores	73,800	-
<b>Totals</b>	<b><u>103,432,922</u></b>	<b><u>67,730,428</u></b>

**Note**

Rent Debtors for Kshs 916,701 were written-off for those trainers who retired or passed on

**20 Inventories**

Description	2021-2022	2020-2021
	Kshs	Kshs
Foodstuff	997,564	1,045,585
Stationery	312,863	333,335
Farm Produce	112,500	123,300
<b>Totals</b>	<b><u>1,422,927</u></b>	<b><u>1,502,220</u></b>

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

21 **Property, Plant and Equipment**

	Land and Buildings Kshs	Motor Vehicles Kshs	Furniture and Equipment Kshs	Computers Kshs	Text Books Kshs	WIP Kshs	Total Kshs
<b>At 1 July 2019</b>	1,428,980,000	6,910,040	106,210,316	12,390,800	-	125,305,292	1,679,796,448
Additions	21,004,759	15,195,000	1,068,998	632,500	1,341,949	-	39,243,206
Old Gate Demolished to put up new one	(450,000)	-	-	-	-	-	(450,000)
Transfers from WIP	-	-	-	-	-	(79,210,831)	(79,210,831)
Donations and Recount	-	-	21,255,058	1,585,143	760,000	-	23,600,201
Additions WIP	-	-	-	-	-	17,214,117	17,214,117
<b>At 30th June 2020</b>	<b>1,449,534,759</b>	<b>22,105,040</b>	<b>128,534,372</b>	<b>14,608,443</b>	<b>2,101,949</b>	<b>63,308,578</b>	<b>1,680,193,141</b>
Additions	70,439,451	-	3,817,963	2,608,600	-	(63,308,578)	13,557,436
<b>At 30th June 2021</b>	<b>1,519,974,210</b>	<b>22,105,040</b>	<b>132,352,335</b>	<b>17,217,043</b>	<b>2,101,949</b>	<b>-</b>	<b>1,693,750,577</b>
Additions	9,423,922	8,664,070	13,145,054	5,129,695	1,143,725	20,638,464	58,144,930
<b>At 30th June 2022</b>	<b>1,529,398,132</b>	<b>30,769,110</b>	<b>145,497,389</b>	<b>22,346,738</b>	<b>3,245,674</b>	<b>20,638,464</b>	<b>1,751,895,507</b>

Note:

**(a) Breakdown for Land and Building**

Land	1,120,000,000
Buildings	409,398,132
<b>Total</b>	<b>1,529,398,132</b>

22 **Intangible Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bal as at 01/07/2021	5,185,600	2,882,800
Additions	6,148,000	2,302,800
<b>Total</b>	<b><u>11,333,600</u></b>	<b><u>5,185,600</u></b>

23 **Trade and Other payables from Exchange transactions**

Description	2021-2022	2020-2021
	Kshs	Kshs
Retention Money	2,063,848	2,111,504
Nita Levy for 2021-2022 FY	42,300	36,450
KRA PAYE June 2022	273,679	-
<b>Total Trade and Other Payables</b>	<b><u>2,379,827</u></b>	<b><u>2,147,954</u></b>

24 **Refundable Deposits from customers/Students**

Description	2021-2022	2020-2021
Caution Money	4,816,511	4,816,511
<b>Total</b>	<b><u>4,816,511</u></b>	<b><u>4,816,511</u></b>

25 **Current Provision**

Description	2021-2022	2020-2021
	Kshs	Kshs
Employee benefit Obligation	5,166,132	6,313,675
<b>Total Provision</b>	<b><u>5,166,132</u></b>	<b><u>6,313,675</u></b>

26 **Cash generated from operations**

Surplus for the year before tax	12,999,196	36,164,977
Impairment	916,701	-
<b>Working Capital Adjustments</b>		
Increase in Inventory	79,294	-
Increase in Receivables	(35,040,253)	(44,507,690)
Increase in Payables	231,873	-
<b>Net Cash Flow from Operating Activities</b>	<b><u>(20,813,189)</u></b>	<b><u>(8,342,713)</u></b>

## Ramogi Institute of Advanced Technology

Annual Report and Financial Statements For the year Ended 30 June 2022

### 27. Financial Risk Management

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

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

#### (i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2021</b>				
Receivables from exchange transactions	67,730,428	44,382,652	23,347,776	
<b>Total</b>	<b>67,730,428</b>	<b>44,382,652</b>	<b>23,347,776</b>	
<b>At 30 June 2022</b>				
Receivables from exchange transactions	103,432,922	66,852,104	36,580,818	916,701
<b>Total</b>	<b>103,432,922</b>	<b>66,852,104</b>	<b>36,580,818</b>	<b>916,701</b>

#### (i) Credit risk

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

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

#### (ii) Liquidity risk management

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

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2021</b>				
Trade Payables	36,450	-	2,111,504	2,147,954
Provisions	-	-	6,313,675	6,313,675
<b>Total</b>	<b>36,450</b>	<b>-</b>	<b>8,425,179</b>	<b>8,461,629</b>
<b>At 30 June 2022</b>				
Trade Payables	315,979	2,063,848		2,379,270
Provisions	-	-	5,166,132	5,166,132
<b>Total</b>	<b>315,979</b>	<b>2,063,848</b>	<b>5,166,132</b>	<b>7,545,959</b>

**(iii) Market risk**

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

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

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

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

## Ramogi Institute of Advanced Technology

Annual Report and Financial Statements For the year Ended 30 June 2022

### a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency.

The entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

### a) Foreign currency sensitivity analysis

The Institute transacts only in Kshs

### b) Interest rate risk

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

#### *Management of interest rate risk*

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

### (iii) Market risk

#### Interest rate risk

##### *Sensitivity analysis*

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

### iv) Capital Risk Management

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Retained Earnings	141,181,925	130,182,729
Capital Reserve	1,763,229,107	1,698,936,177
<b>Total Funds</b>	<b>1,906,411,032</b>	<b>1,829,118,906</b>

## 28. Related Party Balances

### Nature of related party relationships

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

### Government of Kenya

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

- i) The National Government;
- ii) Ministry of Education
- iii) Key management;
- iv) Board of Governors

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

	2021-2022	2020-2021
	Kshs	Kshs
<b>Transactions with related parties</b>		
<b>a) Sales to related parties</b>		
Lease income from communication Authority of Kenya	694,334.85	693,400
<b>Total</b>	<b>694,334.85</b>	<b>693,400</b>
<b>b) Purchases from related parties</b>		
Purchases of electricity from KPLC	2,428,678	1,559,545
Purchase of water from govt service providers	800,075	530,930
<b>Total</b>	<b>3,228,753</b>	<b>2,090,475</b>
<b>b) Grants /Transfers from the Government</b>		
Grants from National Govt	74,295,000	69,315,000
Grants from County Government	0	0
Donations in kind	0	0
<b>Total</b>	<b>74,295,000</b>	<b>69,315,000</b>
<b>c) Expenses incurred on behalf of related party</b>		
Payments of salaries and wages for employees	0	72,000
Payments for goods and services for Rachuonyo	3,759,597	836,065
<b>Total</b>	<b>3,776,597</b>	<b>908,065</b>
<b>d) Key management compensation</b>		
B.O.G Expenses	5,953,414	5,097,169
Compensation to key management	0	0
<b>Total</b>	<b>6,186,914</b>	<b>5,097,169</b>

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

**29. SEGMENT INFORMATION**

The Institute operates only in one region, Riat Hill campus.

**30. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

The Institute doesn't have contingent Assets or Liabilities

**31. CAPITAL COMMITMENTS**

Capital commitments	2021-2022	2020-2021
	Kshs	Kshs
ERP extension	5,000,000	5,000,000
Renovation of play fields	7,500,000	0
Purchase of water tanks	600,000	600,000
Computers	5,000,000	0
Textbooks	3,000,000	3,000,000
Stand by Generator	0	4,000,000
New Tuition block	18,572,345	37,487,296
Training Equipment	16,264,001	0
New car for the Principal	0	8,500,000
Farm House	0	2,000,000
Staff houses	0	10,000,000
<b>Total</b>	<b>55,936,346</b>	<b>70,587,296</b>

*(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and ongoing)*

**32. DEFERRED TAX LIABILITY**

The Institute did not have a deferred tax liability during the year.

**33. EVENTS AFTER THE REPORTING PERIOD**

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

**34. ULTIMATE AND HOLDING ENTITY**

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

**35. CURRENCY**

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

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

(xix) Appendices

**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Misclassification of Travelling Expense by Kshs 223,000	Financial statements were amended based on the audit advice.	Certificate not issued	
2	Misstatement of payroll expense by Kshs 31,562	Supporting schedules with the correct payroll figures were provided for review	Certificate not issued	
3	Misclassification of expenditure	Financial statements were amended based on the audit advice	Certificate not issued	
4	Failure to appoint a Representative of the County Governor to the Board of governors	The institute had requested the Governor to appoint a representative which has not been done to date.	Certificate not issued	
5	Weak internal controls	<p>i. The Internal Auditor was reporting administratively to the principal and functionally to the Audit Committee however mid-year he deserted duties without handing over his reports. It took some time before replacement was done a result of long recruitment process coped with challenges of getting a competent Auditor.</p> <p>ii. On Human Resource Instruments in our view did not apply to us. The Institute depends on the direction of the Ministry of Education for any change in any</p>	Certificate not issued	

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		policy and this has not been done. The Institute will consult with the Ministry of Education and act accordingly.		
6	Non-compliance with the law on ethnicity	The employees were inherited from the former management however strategies have been put in place to ensure equitable representation of all tribes whenever there is a vacancy.	Certificate not issued	
7	Misstatement of Trade and other payables	Trade and other payments amended with Kshs 36,450 being accrued Nita Levy.	Certificate not issued	
8	Inaccurate Coop Bank Balance Ac 0110387095601	Amended as per the instructions given	Certificate not issued	
9	Receivable from Exchange transactions Kshs. 78,783,271.00	<ul style="list-style-type: none"> <li>i. A draft policy on debts has been developed awaiting discussion and approval for use.</li> <li>ii. The staff houses are in bad condition and the board planned to renovate first before rates are revised upward</li> <li>iii. We consulted the system provider and they advised that the correct student debtor's balance is Kshs66, 283,776 as reflected in the Trial balance at the close of business on 30<sup>th</sup> June 2021.The other balance generated from the system of Kshs 77,336,619 was generated on the same day but before the</li> </ul>	Certificate not issued	

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>close of the business hence the difference. Student's debtors schedule for the same period has been provided for your review.</p> <p>iv. Salary advances given to PSC employees were fully recovered in the 2021/2022 FY by M-pesa payments.</p>		
10	Revenue from exchange transactions Kshs. 65,212,882.00	<p>i. The variances from income received from Communication Authority of Kenya and Safaricom was as a result of withholding tax from source</p> <p>ii. Authority from the county director of Technical Training Institutions, Kisumu to open cooperative bank has been availed for review.</p> <p>iii. Registration fees amended to Kshs 242,130 (253,600-11,470)</p>	Certificate not issued	
11	Fee Refunds Kshs. 85,740.00	Use of good and services amended accordingly	Certificate not issued	
12	Misstatement in the financial statement	The variance is as a result of cut-off procedures done to arrive at the true position. Opening balances are added back since they present goods available for use at the start of the year and closing stock subtracted since they are not part of consumption at the end of the financial year and therefore recorded as inventories	Certificate not issued	
13	Overstated Receivables from non-exchange	Financial statements amended based on the advice given by the Auditors	Certificate not issued	

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
14	Undisclosed Biological Assets	<p>The Institute planted 10,000 trees valued at Kshs 100,000 however the trees did not meet the criteria prescribed by the standard on Biological assets for two reasons.</p> <ul style="list-style-type: none"> <li>i. The trees were not part of Agricultural activity but planted purposely to conserve the environment.</li> <li>ii. are not routinely managed for the purpose of measuring and monitoring the change in quality or quantity brought about by biological transformation or harvest, as described in paragraph 10</li> </ul>	Certificate not issued	

Accounting Officer

Maren Omondi (Mrs)

Principal

Signature 

Date. 8/03/2023



**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

**Appendix ii: Projects Implemented by the Institute**

**Projects**

Projects implemented by the *Institute funded by Donor*

Project title	Project Number	Donor	Period/ duration	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Agri Jobs for youth	1	GIZ	1 Year	YES	YES

**Status of Projects completion**

	Project	Awarded Price Kshs	Total expended to date Kshs	Completion % to date	Budget Kshs	Actual Kshs	Sources of funds
1	Construction of Tuition block Phase 1	40,065,895	15,859,857.60	39%	37,487,296	15,859,857	Internally Generated Revenue
2	Purchase of Institute Vehicle (7 seater)	8,664,070	8,664,070	100%	8,500,000	8,664,071	Internally Generated Revenue
3	Additional ERP	6,148,000	6,148,000	100%	6,148,000	6,148,000	Internally Generated Revenue
4	Computers	4,497,645	4,697,645	100%	4,497,645	4,497,645	Internally Generated Revenue
5	Procurement of a standby Generator	4,480,000	4,480,000	100%	4,480,000	4,480,000	Internally Generated revenue
6	Construction of two(2) staff houses	1.Kshs 4,415,061 2.Kshs 4,015,061	1.Kshs 1,334,738 2. Kshs 3,443,868	1. 30% 2. 85%	4,500,000 4,4500,000	1,334,738 3,443,868	Internally Generated Revenue
7	Student lecture Chairs	3,720,000	3,720,000	100%	3,720,000	3,720,000	Internally Generated Revenue
8	Construction of Bus garage	2,998,180	2,998,180	100%	3,500,000	2,998,180	Internally Generated Revenue

**Ramogi Institute of Advanced Technology**

Annual Report and Financial Statements For the year Ended 30 June 2022

9	Non-teaching Staffroom and store	2,299,834	2,299,834	100%	3,400,000	2,299,834	Internally Generated Revenue
10	Renovation of Basket ball	1,367,500	-	-	1,500,000	-	Internally Generated Revenue
11	Solar street lighting	1,290,050	1,290,050	100%	1,290,050	1,290,050	Internally Generated Revenue
12	Mattress for students	1,199,818	1,199,818	100%	1,199,818	1,199,818	Internally Generated Revenue
13	Text books	1,143,725	1,143,725	100%	1,143,725	1,143,725	Internally Generated Revenue
14	Paving of concrete blocks( cabros) from Ramogi house parking to ladies hostel	1,061,095	1,061,095	100%	1,061,095	1,061,095	Internally Generated Revenue
15	Generator house	592,000	WIP	WIP	592,000	WIP	Internally Generated Revenue
16	Training Driving School board	436,000	436,000	100%	436,000	436,000	Internally Generated Revenue
17	Library Shelves	396,200	396,200	100%	396,200	396,200	Internally Generated Revenue
18	Water tank	372,100	372,100	100%	372,100	372,100	Internally Generated Revenue

**Ramogi Institute of Advanced Technology**  
Annual Report and Financial Statements For the year Ended 30 June 2022

**Appendix iii: Inter-Entity Confirmation Letter**

The Institute did not disburse any funds to other entities.

**Appendix iv: Reporting Of Climate Relevant Expenditures**

The Institute did not receive or incur any expenditure on climate.

**Ramogi Institute of Advanced Technology**  
**Annual Report and Financial Statements For the year Ended 30 June 2022**  
**Appendix v: Disaster Expenditure Reporting Template**

The Institute did not receive or incur any expenditure on disaster.