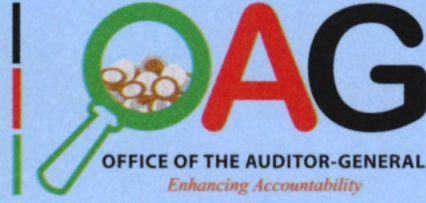


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: **11 MAR 2026**

DAY.

WEDNESDAY

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BY

LEADER OF MAJORITY PARTY

HON' OWEN BAYA, MP

CLERK AT
THE TABLE:

J. LEMELLE

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**SIAYA INSTITUTE OF ADVANCED
TECHNOLOGY**

**FOR THE YEAR ENDED
30 JUNE, 2025**

'Revised 30th June 2025



SIAYA INSTITUTE OF TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

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Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
SDTVET	State Department of TVET
SIT	Siaya Institute of Technology
TVET	Technical and Vocational Education and Training
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Siaya Institute of Technology financial resources.

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; Siaya Institute of Technology to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. Key Siaya Institute of Technology Information and Management

(a) Background information

Siaya Institute of Technology (SIT) is a Government Institution under the Ministry of Education, Established under TVET Act 2013 No. 9 of the 14th January 2013. It is situated in Siaya town, along the Siaya-Ugunja Road on a 40-acre piece of land, just after the Siaya County Referral Hospital. It was established in 1987 by the District Development Committee (DDC) Siaya, as a community initiative, to train students in Masonry, Plumbing, and Agriculture and Business courses.

Over the years, the Institute has had to invest in infrastructural development to meet the demands of an ever-increasing student population, rapid technological advancement and changes in TVET subsector reforms and market trends. Some of the recent developments include acquisition of construction of more classrooms, a library/administration block complex and equipping the Information Communication Technology (ICT) laboratory. The Institute has also acquired state of the art equipment for Building and Civil Engineering and for Applied Sciences Workshops and Laboratories respectively.

The Institute is staffed by the Public Service Commission (PSC) and is currently headed by a principal assisted by two Deputy Principals. Admissions, Registration and Assessments of Trainees are coordinated by the Registrar's office. The office of the Dean of Students deals with students' welfare, catering and accommodation issues.

There is very close collaboration of the Institute with the Ministry of Education State Department of Vocational and Technical Training and the Regulator Technical and Vocational Education and Training Authority (TVETA), Kenya National Audit Office (KENAO) to standards and quality of training as well as management and governance.

Currently there are nine Academic Departments offering various courses at Artisan, Craft certificate, Diploma and Higher Diploma levels which are examined by Kenya National Examinations Board (KNEC), Kenya Accountants and Secretaries National Examination Board (KASNEB) and Curriculum Development Accreditation and Certification Board (CDACC). It also enjoys partnership with professional bodies like Institute of Certified Public Accountants of Kenya (ICPAK) and Kenya Nutritionists and Dieticians Institute (KNDI).

Other non-academic departments such as ICT Services, Performance Contracting, Guidance and Counselling and Co-curricular Activities contribute and are embedded in a Quality Assurance and Performance Management system to ensure that SIT trainees acquire the requisite skills, attitudes and values with competencies to produce an all-rounded individual.

As an Institute of Technology, the programs offered have a significant impact in contributing to Kenya's Big Four Agenda of Affordable Housing, Manufacturing,

Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

Food Security, and Universal Healthcare all anchored in Vision 2030 and the Sustainable Development Goals (SDG).

The ultimate goal of SIT is to admit and produce competent graduates who meet global industry and market standards. SIT will endeavour to re-engineer and remain relevant in the TVET sector.

(b) Principal Activities

The principal activity/mission/ mandate of the Siaya Institute of Technology is to

- Impart skills to Trainees
- Promote and carryout research relating to its mandate
- Promote recognition of cultural values through hosting culture week

(c) Key Management

The Siaya Institute of Technology day-to-day management is under the following key organs:

- Board of Governors
- Accounting Officer
- Deputy Principal-Administration, Planning and Development
- Deputy Principal-Academic and Student Affairs
- Registrar-Admin
- Registrar-Academics
- Dean of Students
- Senior Finance Officer
- Finance Officer
- Senior Supply chain Officer
- Supply Chain Officer
- Internal Auditor

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Chief Principal	Daniel O.Randa
2.	Deputy Principal-Administration, Planning and Development	Daniel Omondi
3.	Deputy Principal-Academic and Student Affairs	Florence Okeyo
4.	Registrar-Administration	Barrack Orem
5.	Registrar-Academics	Daniel Opany
6.	Dean of Students	Hellen Okoth
7.	Senior Finance Officer	Benson Onguso
8.	Finance Officer	Joseph Ochieng
9.	Senior Supply Chain Officer	Fredrick Ombwayo

SN.	Designation	Name
10.	Supply Chain Officer	Mary Okoth
11.	Internal Auditor	Ezekiel Odongo
12.	Human Resource Officer	George Okongo

Key Siaya Institute of Technology Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Fiduciary oversight arrangements for Audit Risk Committee.

The Audit Committee is to ensure confidence in the integrity of an organization’s internal processes and procedures by holding quarterly meetings to discuss and provide an advisory and independent oversight mechanism over:

- Accounting and Financial reporting
- Internal and external Audit processes
- Risk Management and Internal Controls
- Compliance with applicable Laws, Regulations, Ethical standards and Principles.

The Audit Committee periodically re-assess the list of top risks in the Institution by fostering and promoting a more effective and efficient Audit process by providing independent review of internal Audit Annual work plan and reports.

The Audit Committee quarterly provides a depth of knowledge that assists Management discharge its responsibilities in the most effective and efficient manner. The Audit Risk Committee periodically provides a ‘no surprises’ environment in an SIT, particularly with regard to the prompt identification of Risks and threats to the SIT.

Finance and Operation Committee Activities.

In the FY 2024/2025, Siaya Institute of Technology had the above committee in place whose responsibilities included overseeing the Human Resource activities, infrastructure development, administrative issues of the fiduciary management, mobilising funds through the budget process, monitoring the budget execution and partnering with development partners for reporting purposes. The committee also ensures compliance with regulatory and statutory obligations in terms of Administrative and financial reports.

Education, Research and Training Committee Activities

In the FY 2024/2025, Siaya Institute of Technology had the above committee charged the responsibility of ensuring advancement of trainers in order to uphold higher standards of integrity, fairness, ethical and professionalism in their day-to-day activities in delivering institutions core mandate.

Development Partner Oversight Activities

It is the responsibility of the Ministry of Transport, Infrastructure, Housing and Urban Development State Department for Public Works to ensure that builders

work is carried out as per the client's standards, specification, correct materials, workmanship and schedules. Ascertaining that builder's works conform to the relevant project drawings and design. They also ensure that project designs and implementation comply with all legal and regulatory obligations. To prepare interim certificates of payments based on the works already done.

Other oversight activities

Siaya Institute of Technology collaborated with Institution of Engineering Technologists and Technicians to promote the advancement of registered trainers in order to uphold highest standards of honesty, integrity, impartiality, fairness, ethical conduct and professionalism in their day-to-day activities.

This collaboration led to the enhancement of professional development among IET registered members.

Siaya Institute of Technology also collaborated with TVETA on accreditation of training programmes and courses before being offered to trainees. Siaya Institute of Technology worked closely with TVETA on matters registration and licensing of trainers including quality assurance, relevance and standards in programmes offered for trainees.

(f) Siaya Institute of Technology Headquarters

P.O. Box 1087-40600
Along Siaya – Rangala Road
Siaya, Kenya

(g) Siaya Institute of Technology Contacts

Telephone: 0768 509 509
E-mail: info@siayapolytechnic.ac.ke,
Website: [www. siayapolytechnic.ac.ke](http://www.siayapolytechnic.ac.ke)

(h) Siaya Institute of Technology Bankers

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

Other Commercial Banks
1. Kenya Commercial Bank
P.O. Box 52
Siaya, Kenya
Account numbers

2. Cooperative Bank of Kenya
P.O. Box 847 – 40600
Siaya Branch

Key Siaya Institute of Technology Information and Management (Continued)



(i) Independent Auditors

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

(j) Principal Legal Adviser

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



3.The Board of Governors

SN.	Member	Details
1.	 <p>Prof. Susan M. Kilonzo BOG Chairman <i>An Associate Professor of Sociology of Religion at Maseno University, Kenya</i></p>	<p>She has professional development training in policy engaged research, political economy analysis, peace & conflict studies, and research methodology, fields that she has widely trained, researched and published on. She has a wealth of experience in advanced research methodology and has tailored training modules and trained for Partnership for African Social Governance Research (PASGR)-Kenya, Association of Commonwealth Universities (ACU)-UK, and IMPACT-USA. Susan has held research fellowship positions at The Open University, UK; New Europe College, Bucharest; and University for Peace (UPEACE)- Costa Rica, among others. Susar has over seventy (70) academic publications - journal articles, book chapters, books and research reports. The latest publications appear The Palgrave Handbook of African Women's Studies, Palgrave Macmillan 2021; Journal of the British Academy, 9(s2)2021; International Bulletin of Mission Research (IBMR), 2021; Journal of Social Encounters, 4(1), 2020; among others. She is a member of different professional bodies and journal editorial boards. Email address: mbusupa@gmail.com</p>
2.	 <p>Mr. Daniel O.Randa BOG Secretary <i>MSC Agribusiness Management</i></p>	<p>Has a wealth of experience as a secondary school teacher from 1991-2003 Mr Randa has also been a lecturer in TVET institution from 2004-2014 and has also served as a deputy principal from 2014-2016. He has since been serving in Principal position in TVET institution from 2017 to date. Has also served in the following position that is P.R.O KETTISO National for 12 years, 1st vice chairman KATTI S.R National, chairman KATTI, Western Region Chapter. He has also been trainer for SNE TVET from 2013-2020</p>



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<p>3.</p>	 <p>Mr. Gordon Nguka BOG Member <i>A Doctorate in Medical Dietetics and Paediatric Psychology.</i></p>	<p>Prof. Gordon Nguka is a leading Kenyan researcher in Clinical Nutrition and Dietetics. He is currently investigating Environmental Enteric Dysfunction (EED) in children from underprivileged areas of Western Kenya, a condition affecting nutrient absorption. Additionally, he is collaborating with Bioversity Kenya on a project to understand and improve food systems in Vihiga County. With extensive academic credentials and experience, including a PhD and postdoctoral training, Prof. Nguka has held leadership positions in various organizations, such as the African Nutritional Sciences Research Consortium (ANSRC) and the Kenya Nutritionists and Dieticians Institute (KNDI). His dedication to improving nutrition and health in Kenya is evident through his active research and involvement in professional organizations.</p>
<p>4.</p>	 <p>Mr. Stephen Pangla BOG Member <i>Bachelor of Education, Diploma in Education</i></p>	<p>Secondary School Head of Department Humanities, Guidance & Counselling Teacher, Secondary School Deputy Principal, Principal in a number of secondary Schools and Representative of the Governor to the board</p>
<p>5.</p>	 <p>Mr. Sam Magero BOG Member <i>MBA in International Business Management, Bsc Computer Science from JKUAT, CPA-K,</i></p>	<p>Accomplished Business Technology and Strategy leader with 14 years of experience in Telecoms and IT Consultancy. Known for Business Development, Strategy Execution and partnerships management, has a proven track record of in implementing turnaround initiatives and business growth within Sub Saharan Africa. Passionate about aligning and optimizing technology to transform lives and societal impact. Holds an MBA in International Business Management from University of Nairobi, Bsc Computer Science from JKUAT, CPA-K from Strathmore University and Certified Information Systems Auditor- ISACA.</p>




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	<i>ISACA</i>	
6.	 <p>Ms. Judith A Shibu BOG Member <i>MBA Accounting, BBM Accounting, CPA(K), Diploma in Education</i></p>	<p>Has a wealth of experience in internal audit, has worked in the accounts department as a finance manager, book keeper and preparation of final accounts. Has also worked as a board member in various institutions.</p>
7.	 <p>Mr. Hillary Omondi BOG Member <i>Bachelor of Environmental Science degree</i></p>	<p>Has 6 years of experience, working in the NGC world. Hillary also serves in the Siaya County Budget Economic Forum as a representative of non-state actors having been appointed by the Governor of Siaya County in 2023. His commitment to youth and women empowerment was recognized by the National Heroes Council in 2022 and decorated as a National Hero (Shujaa) during 2022 Mashujaa celebration led by the President of Kenya. Hillary believes strongly in working with like minded people to create people driven solutions for transformative changes. He joined the Board of Governors for Siaya Institute of Technology in 2024 in the category of Leadership and Governance.</p>
8.	 <p>Ms. Caroline Kosgei BOG Member <i>Master's in Business Administration Bachelor of Engineering in electrical and telecommunication</i></p>	<p>A registered graduate member with institute of engineers of Kenya and graduate engineer with engineer's board of Kenya. Currently working for Kenya Power and lightening co. as assistant engineer in charge of customer service and operations and maintenance in feeder business unit in Kisumu County. Has a wealth of experience in project management, ICT and IT end user support, management of telecommunications and information systems, data network and customer service excellence experience and operations and maintenance</p>




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<p>9.</p>	 <p>Mr. Evans Musomi BOG Member</p>	<p>Has over 25 years of experience in senior management roles, primarily in Information Technology and AgriBusiness. They have expertise in IT infrastructure development, deployment, and project management, as well as outsourcing services for IT support and human capital management. Currently, they are supporting organizations with their IT needs and providing contracted human resources through their own platform. Additionally, they are involved in incubating AgriBusiness ventures and serving on university councils and school boards to improve their technical and financial performance.</p>
<p>10.</p>	 <p>Mr. David Maina BOG Member <i>Master of Education in Education Administration</i></p>	<p>David Maina is the Director of Vocational and Technical Education and Head of the Grants and Scholarship Management Division. He holds a Master's in Education Administration from the University of Nairobi and a Bachelor's in Education (Mathematics, Economics, and Computer) from Moi University. He has completed various local and international courses, including ICDL, SPSS, and DACUM Facilitation. With over 24 years of experience in education and training, he has served in multiple directorates within the Ministry of Education and as Acting Deputy Director at TVET CDACC in Strategy and Planning.</p>

4. Key Management Team



<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 <p>Mr. Daniel O. Randa <i>MSC. Agribusiness Management</i></p>	Principal/BOG Secretary
2.	 <p>Mr. Daniel Omondi <i>MBA. Logistics and Supply Chain Management,</i></p>	Deputy Principal-Administration, Planning & Development.
3.	 <p>Ms. Florence Okeyo <i>M.Ed. Guidance and Counselling</i></p>	Deputy Principal – Academic and Trainee Affairs.

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4.	 <p>Mr. Daniel Opany <i>Masters Applied statistics, Bed science</i></p>	Registrar - In charge of Academic and Trainee Affairs
5.	 <p>Mr. Barrack Orem <i>Higher Diploma in Entrepreneurship (Development), Dip. in Technical Education (Building and Civil Eng. Education)</i></p>	Registrar -In charge of Administration, Planning and Development
6.	 <p>Ms. Hellen Okoth <i>Bachelor of Home Science</i></p>	Dean -in charge of Trainee welfare, calendar of events, sports, guidance & counselling and catering services

<p>7.</p>	 <p>CPA. Benson Onguso <i>B. Comm. (Accounting) & CPA (K)</i></p>	<p>Senior Finance Officer In-charge of coordination and administrative functions</p>
<p>8.</p>	 <p>Mr. Joseph Ochieng <i>B. Comm. (Finance) and CPA</i></p>	<p>Finance Officer in charge of all accounting duties</p>
<p>9.</p>	 <p>Mr. Ezekiel Odongo <i>B. Comm (Finance), CPA(K), CIFA and Diploma in Business Management</i></p>	<p>Internal Auditor – In charge of Internal Controls</p>

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10.	 <p>Mr. Fredrick Ombwayo <i>M.Sc. Procurement and Logistics</i></p>	Senior Supply Chain Officer
11.	 <p>Ms. Mary Okoth <i>Bachelor in Procurement and Contract Management</i></p>	Supply Chain Officer (Stores).

5. Chairman's Statement

Siaya Institute of Technology is mandated to offer Artisan, Craft Certificate, Diploma, and Higher Diploma courses across various programs. The Institute focuses on producing well-equipped middle-level professionals with the technical and business skills essential for the industry, infrastructure, and service sectors.

The Board operates through three subcommittees: the Administration, Finance, and Infrastructure Committee; the Education, Research, and Training Committee; and the Risk and Audit Committee. During the year under review, the Institute successfully completed several planned activities, including improved KNEC exam performance, construction of additional buildings and a civil engineering workshop, partial construction of two basketball courts and a perimeter wall, and the construction of an Agriculture office. Additionally, the Institute received a donation of 100 desktop computers from the Ministry of ICT, enhanced its performance in key contract indicators, acquired additional training materials, and maintained its ISO 9001-2015 certification.

Furthermore, the Institute provided extension services to the community as part of its Corporate Social Responsibility initiatives, in line with the FY 2024/2025 Performance Contract.

- **Budget Allocation**

In the FY 2024/2025, Siaya Institute of Technology had a gross budget of Kshs.312,057,704.00 of which Kshs.287,488,704.00 was on recurrent votes and Kshs.24,569,000.00 for development vote.

- **Key Achievements**

Over the past year, our institution has seen remarkable growth and success. Enrolment surged from 4668 to 6336, driven by our strong performance in national exams and research. Female enrolment more than doubled, and our pass rate rose to 88%, far exceeding our targets. We've also introduced new CBET modularised courses, enhancing our academic offerings.

Financially, we achieved significant revenue growth and maintained a 100% absorption of allocated funds. We expanded our infrastructure, including the partial construction of the mini hospitality annex and the establishment of an institutional driving school.

In governance, we strengthened our service delivery and improved customer satisfaction. Staff development remained a priority, with extensive capacity-building efforts and the recruitment of additional personnel. We also made strides in digitalizing key processes to improve efficiency.

Looking ahead, we will continue to build on these achievements, ensuring that our institution remains a leader in education and innovation.

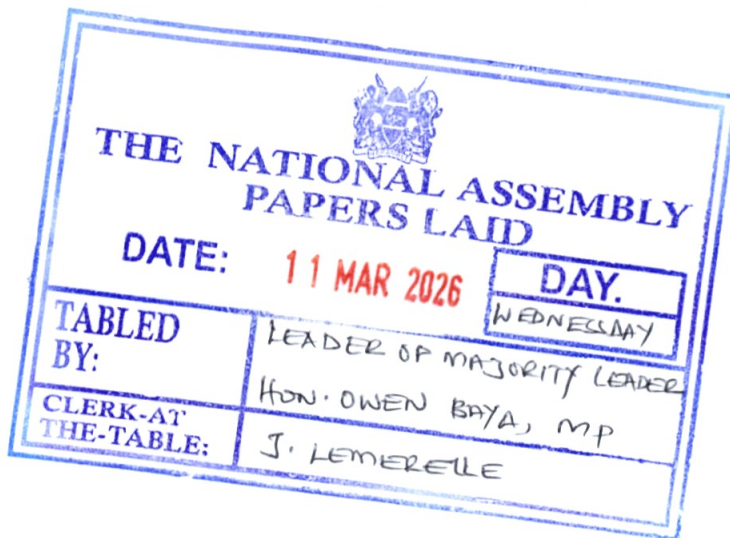
- **Challenges**

While the institution achieved several milestones, we faced significant challenges due to financial constraints. Key projects, including research initiatives, technology transfer, and perimeter construction, could not be completed. Targets for industry linkage, dual training, and new income-generating activities were unmet, along with accommodation and short courses. The development of key infrastructure, such as classrooms, a day-care centre, and e-learning facilities, was also delayed.

Our budget included Kshs.10,000,000.00 for a major construction project, but it failed to attract external funding. Additionally, KUCCPS disbursements were far below the allocated amount, and funds for NYS-sponsored students were only partially received. These financial shortfalls significantly impacted our ability to fully implement the budget and deliver on our service commitments.

Despite these setbacks, we remain committed to overcoming these challenges and achieving our long-term goals.

Sign:  Date: 30/6/2025



6. Report of the Chief Principal

Siaya Institute of Technology is a training Institute charged with the mandate to offer courses at Artisan, Craft Certificate, Diploma and Higher National Diploma levels in various disciplines.

Since its inception in 1987, SIT has made several milestones despite a number of challenges occasioned by weak financial base arising from lack of enhanced funding from the GOK/Development partners for infrastructure development, related training facilities and equipment.

It's important to note that SIT is ISO9001-2015 certified and operates above board in its day-to-day operations and had observed all the legal and statutory obligations as is expected during the year under review including signing performance contract with the parent ministry on behalf of GOK and implementing the targets, monitoring the performance and reporting to various GOK agencies as scheduled. BOG meetings were convened as planned for both committee meetings and full board meetings.

Currently we have 11 academic departments with student population of 6860 which is expected to grow over time having put in place strategies to achieve the same in our strategic plan. Besides this, capacity building programmes had been organised for both trainers and the technical staff to enhance service delivery to our clients.

In 2024/2025FY, SIT operated on an approved budget of Ksh312,057,704.00 of which Ksh287,488,704.00 was for recurrent votes and Ksh24,569,000.00 for development vote comprised of the GOK funded project with an allocation of ksh.10,000,000.00 in the current year whose contract sum was kshs.77,338,714.00 in the 2018/2019FY when it commenced. No disbursement came during the year under review and for the last 4 years now. The budget performance was way below the expected level as only ksh.67,871,729.00 was received for capitation against the expected ksh.127,000,000.00 for the year under review.

Milestones / Achievements made during the year under review includes the following: -

Achievements

The key Result Areas (KRA) were: Produce competent graduates, increased resource allocation, Research and technological advancement, match skills produced with industry expectation, improved infrastructure and equipment, improved tree coverage, beautification and sanitation. The main outcomes were Reduced unemployment among graduates, increased revenue, improved commercialization and technology transfer, Improved customer satisfaction, improved linkage and industry collaboration and enhanced training environment.

The key achievements in the previous Strategic Plan were as follows:

KRA 1.1; Produce competent graduates:

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Challenges.

Targets on industry linkage and collaboration were not achieved due to the limited number of industries within the catchment area. Additionally, dual training was only implemented in three courses out of the targeted five. The target for accommodation for trainees was not met due to the few accommodation facilities available in the surrounding area. One part-time or blended course that had been planned was not started. Targets for income-generating activities in terms of revenue were also not met. Furthermore, the public participation policy was not developed. Construction of the day care centre was not achieved, and the establishment of the e-learning centre was not realized.

Lessons Learnt

The following lessons were learnt as a result of the implementation of the previous Strategic Plan and will be helpful in improving the performance of the Strategic Plan 2023 - 2027: -

1. Need to enhance IGA to increase income
2. Encouraging teamwork boosts productivity.
3. Improving customer service enhances efficiency.
4. Digitalization of customer facing services to improve efficiency and customer service.
5. Continuous staff capacity building is necessary.

It is important to note that despite the achievement outlined above, the institution encountered a number of challenges as outlined below;

- Included in 2024/2025 FY budget was Ksh.10,000,000 for the proposed construction of the Administration/library/Classrooms project. The project never attracted any funding in the year under review despite many attempts made to the parent ministry on continued support.
- KUCCPS validated students for funding at kshs.30,000.00 but SIT only received Ksh.13,000.00 out of Ksh30,000.00 allocation
- Partial disbursement of funds for NYS sponsored students to the tune of Ksh.10,357,901.00 from the expected amount of ksh.14,624,800.00

The above factors had a negative impact on service delivery and full attainment or implementation of the budget for the year under review.

Sign:  Date: 30/6/2025

Siaya Institute of Technology
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Enrolment increased from 4668 to 6860 against a target of 3800, thus increased by 1404 against a target of 138 hence surpassed the target due to improved image hence perception towards the institution. This was because of good performance in national exams and in research and innovation. Enrolment among female trainees increased by from 2229 to 3111 i.e., 2329 hence surpassed the target. The SIT driving school was also started and 79 learner drivers assessed and provided with valid NTSA licence.

Percentage pass in national exams increased from 89% 90% met the target. Trainee Completion rate increased from 74.4% to 75%. 10 CBET courses were introduced hence increasing enrolment. The institution launched RPL in collaboration with the county government, 100 candidates were registered with RPL and 20 provided with certificates.

KRA 2.1: Increase resource allocation, there was increased revenue and increased budgetary allocation. Absorption of allocated funds was maintained at 100%, A-in- A from ksh 213,600,008.00, to ksh269,465,615, and pending bills to less than 1% from 0.6%. The institution developed an asset and liability management policy.

KRA 3.1: Research and technological advancement, there was 2 technologies transferred, and 0 commercialization. 3 MOUs were signed in RSTI. The institution also engaged trainers and trainees in skills competition in Food and Beverage Management and welding and fabrication. In Agriculture, the institution developed demonstration plots for training in Food Security.

KRA 4.1: To improve linkage and industry collaboration; 4 MoUs were signed, 800 trainees were attached to industry and dual training.

KRA 4.2: Improved, governance, accountability and transparency: Both internal and external customer satisfaction improved from 4.5 to 4.6 (very good). Productivity Index improved from 2.84925 to 2.9 (high Productivity). In terms of staff competency 200 staff were engaged in capacity building, in staff performance management, the mean staff performance appraisal score was 95% (V. Good). Pension scheme policy and adopted for all B.O.G staff. 20 staff were recruited during the period for both technical and non-technical staff, PSC and B.O.G.

The institution also engaged 34 attaches, 5 interns and 3 apprenticeship, a total of 42, thus surpassing the 11 ie 10% of 209 in posting as per the guidelines.

In curriculum activities the institution participated in sports, drama and music both at regional and national level and won awards.

In performance contracting the annual score for complaints & compliments was 86% an improvement from 82% last FY. The PC composite score improved from 3.08 to 2.78., i.e., 0.3.

KRA 5.1: improvement in infrastructure 8 classrooms in the ICT /Hospitality Complex were constructed, equipment worth 6M were procured.

Two processes were reengineered and digitalized: the admission process, and registration for external assessment process.

KRA 5.2: For improved tree coverage, beautification and sanitation Tree cover also increased from 5600 to 6600 trees and flowers grown.

7. Statement of Performance against Predetermined Objectives

REVIEW OF SIAYA INSTITUTE OF TECHNOLOGY’S PERFORMANCE FOR 2023/2024FY

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the National Government SIT’s performance against predetermined objectives. Siaya Institute of Technology has 5 strategic pillars and objectives within the current strategic plan for the FY 2023-2027. These strategic pillars are as follows;

- Issue 1: Quality training for sustainable development
- Issue 2: Resource Mobilization and financial sustainability
- Issue 3: Research, Innovation and Technology
- Issue 4: Corporate Governance, Partnership and Linkages for effective service delivery.
- Issue 5: Infrastructure & Environment Improvement for Training & Research

Siaya Institute of Technology develops its annual work plans based on the above 5 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Siaya Institute of Technology achieved its performance targets set for the FY 2024/2025 period for its 4 strategic pillars, as indicated in the diagram below;

REVIEW OF SIAYA INSTITUTE OF TECHNOLOGY PERFORMANCE FOR FY 2024/2025

Strategic Pillar	Objective	Key Performance Indicator	Activities	Achievements
Strategic Issue I: Quality training for sustainable development	To increase gross enrolment	<ul style="list-style-type: none"> • Number of trainees enrolled 	<ul style="list-style-type: none"> • 5 Radio & 5TV, and 2 newspaper advertisement, 5 road shows • Introduce new CBET courses • 22 Modularized curricula introduced • Operationalization of S.I.T Driving school 	<ul style="list-style-type: none"> • Improved image • Increased enrolment from 4668 to 6860 • 79 learner drivers trained assessed and provided with valid NTSA Driving licence
	To increase enrolment among female trainees in STEM	<ul style="list-style-type: none"> • Number of female trainees enrolled in STEM 	<ul style="list-style-type: none"> • 50 trainees engaged in Career counselling • 10 Outreach activities conducted • 4 Mentoring programmes conducted 	<ul style="list-style-type: none"> • Increased enrolment among female trainees in STEM from 2229 to 3,111
	To increase percentage pass in national examinations	<ul style="list-style-type: none"> • Percentage pass in KNEC 	<ul style="list-style-type: none"> • Preparation of professional documents • Syllabus coverage • Class attendance • Trainee constitution developed • Trainee election 	<ul style="list-style-type: none"> • Improvement in percentage pass in national exams from 88% to 90% • Improved completion rate from 74% to 75 %

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			<ul style="list-style-type: none"> conducted work study conducted among 102 trainees 	
	To reduce unemployment rate among graduates	<ul style="list-style-type: none"> Graduate unemployment rate 	<ul style="list-style-type: none"> 5 graduates placed on internship 10 job adverts placed on the S.I.T website 	<ul style="list-style-type: none"> 100 candidates registered on RPL 25 RPL candidates offered with certificates Unemployment rate reduced from 47% to 38%
Strategic Issue II: Resource mobilization and financial sustainability	<ul style="list-style-type: none"> 100% absorption of allocated funds To increase Appropriation-in-Aid To reduce pending bills to less than 1% of the budget 	<ul style="list-style-type: none"> Percentage absorption of allocated funds. Amount of money raised Amount of money in pending bills 	<ul style="list-style-type: none"> Work plan developed Institutional budget developed Procurement plan developed and implemented Goods & services offered 	<ul style="list-style-type: none"> 100% absorption. A- in-A increased from ksh 213,600,008.00, to ksh 269,465,615 and pending bills to less than 1% from 0.6%.
Strategic Issue III: Research, Innovation and Technology	To increase the technology transfer & Commercialization	<ul style="list-style-type: none"> Technology transfer & Commercialization 	<ul style="list-style-type: none"> Developed 12 concepts Developed 6 innovations 24 trainees and 6 trainers participated in TVET fair conduct 1 research projects conduct 1 technology transfer 	<ul style="list-style-type: none"> 3 papers published Increased technology transfer from 0 to 2
Strategic Issue IV: Corporate Governance, Partnerships and Linkages for Effective Service Delivery	To improve efficiency & effectiveness in service delivery	<ul style="list-style-type: none"> Performance Composite score 	<ul style="list-style-type: none"> Review Citizen Service Delivery Charter translated into braille, audio, and sign language video and uploaded on the website. Implementation of the charter conducted Sensitization of the charter Conducted internal & external audit, 200 Staff engaged in capacity building,6 recruited, 42 youth placed on attachment, 5 on internship and 3 on 	<ul style="list-style-type: none"> Improved Performance Composite Score from 3.08 (Good) to 2.78 (Very Good) Customer satisfaction index improved from 4.5 to 4.7

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			<ul style="list-style-type: none"> apprenticeship, Academic policy, gender mainstreaming & inclusivity policy and reviewed 	
	To attach 500 trainees to industry	<ul style="list-style-type: none"> Number of trainees attached to industry 	<ul style="list-style-type: none"> 6 MoUs and Collaboration of Agreements signed with partners Implementation of the MoUs & CA Place trainees in industry 	<ul style="list-style-type: none"> 6 MoUs signed and implemented 1520 trainees placed on industrial attachment 47 trainees placed on Dual training
Strategic Issue V: Infrastructure & Environment Improvement for Training & Research	To increase the number classrooms, workshops and laboratories	<ul style="list-style-type: none"> Number of classrooms workshops & laboratories 	<ul style="list-style-type: none"> Construction of 8 classrooms in the ICT /Library Complex 	<ul style="list-style-type: none"> 8 classrooms in the ICT Library Complex constructed
	To re-engineer, digitalize and on boarding services to e- citizen platform	<ul style="list-style-type: none"> Number of processes reengineered, automated, and onboarded 	<ul style="list-style-type: none"> 2 processes Re engineered, Automated and on boarded to e- citizen platform 	<ul style="list-style-type: none"> Admission % Registration for external assessment reengineered and digitalized.
	To enhance hygiene and Sanitation	<ul style="list-style-type: none"> Level of hygiene and sanitation 	<ul style="list-style-type: none"> Training on hygiene and sanitation conducted Institution registered with DOSH 	<ul style="list-style-type: none"> 80% Compliance with Public health
	Growing and maintenance of trees and flowers	<ul style="list-style-type: none"> number of trees and flowers grown 	<ul style="list-style-type: none"> Planting and maintenance of trees and flowers 	<ul style="list-style-type: none"> 1000 trees grown

Issue 1: Quality training for sustainable development

- Siaya Institute of Technology has realized an increase in enrolment in Science, Engineering and Technology from 4668 in the FY 2023/2024 to 6860 in the FY 2024/2025. This has been realized through marketing in the mainstream churches, outreach activities in the talks on career opportunities, print and electronic media (Ref C9: increase in enrolment in Science, Engineering & Technology, in Performance Contract for FY 2024/2025)

Strategic Issue 2: Resource mobilization and financial sustainability

- Siaya Institute of Technology has realized and increase in revenue collection from ksh213,600,008.00 in the FY 2023/2024 to ksh269,465,615 in the FY 2024/2025 This has been realized due to the increase in enrolment outlined in Pillar 1.

Strategic Issue 3: Research, Innovation and Technology

- Siaya Institute of Technology undertook the following activities;
 - Organized departmental research competition
 - Selected the best innovations for showcasing at the institution's website

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(Ref C10: Research and Development, in the Performance Contract for FY 2024/2025)
and skills competition

iii. Signed 3 MOUs in Research Science Technology & Innovation (RSTI)

Strategic Issue 4: Corporate Governance, Partnerships and Linkages for Effective Service Delivery

Siaya Institute of Technology has developed and operationalized a Quality Management System to guide in the realization of quality training. The institution has signed 4 MOUs to enhance dual training. Conducted recruitment for both technical and non-technical staff, staff capacity building and mentoring. The institution has also placed 70 trainees on dual training

Strategic Issue 5: improve infrastructure, equipment and environment

S.I.T has constructed 8 classrooms in the ICT /library Complex, procured training materials and planted trees, registered with DOSH developed OSHA committee and trained staff on OSHA to enhance hygiene and safety among staff and trainees.

8. Corporate Governance Statement

- Siaya Institute of Technology, Board of Governors is accountable to the stakeholders and to the government of Kenya for the board’s performance and governance.
- The Board has a guide clearly establishing the relationship between the Board and the management.
- The primary role of the Board is to provide the overall oversight on the management team. Currently, the Board has established three committees to give detailed consideration to policy matters and key issues in respect of corporate management.
- The Board meets on quarterly and has the formal schedule to that effect. In the year under review, the board comprised of ten members with six nominated on the basis of their knowledge and experiences.
- Other than the scheduled meetings there were two special meetings that were convened as included in the table below:

1.AFI BOG COMMITTEE MEETINGS

S/NO	Date
1	23/08/2024
2	04/01/2025
3	07/02/2025
4	12/05/2025

2.ERT BOG COMMITTEE MEETINGS

S/NO	Date
1	26/07/2024
2	11/10/2024
3	24/01/2025
4	17/04/2025

3.ARC BOG COMMITTEE MEETINGS

S/NO	Date
1	06/09/2024
2	15/11/2024
3	21/02/2025
4	23/05/2025

4 FULL BOG MEETINGS

S/NO	Date
1	04/10/2024
2	29/01/2025
3	21/03/2025
4	20/06/2025

5.SPECIAL BOG MEETINGS

S/NO	Date
1	07/04/2025
2	11/04/2025

- The said meetings were held as per the BOG meeting attendance register vol. 1 for attendance

Process of Appointment.

The requirement of the Board of Governors is done by a panel comprising of the following officers.

- Regional TVET Director (Chairman)
- The Principal/B.O. G Secretary
- County Commissioner
- Member of Parliament representative

The composition is spelt out in the nomination procedure to comprise of,

- (i) The chairman
- (ii) Representative of the Permanent Secretary for Vocational and Technical Training (Not selected by the panel).
- (iii) Representative of the County Governor (Not selected by the panel).
- (iv) Six persons nominated on the basis of knowledge and experience in,
 - Leadership and management
 - Financial management
 - Technology
 - Industry
 - Engineering
 - ICT

N/B: 3 Persons nominated for each slot for the permanent secretary to select one and appoint for the said positions to perform effectively.

Removal of a Board Member

A member may be removed through the office of the Permanent Secretary in the following circumstances although none was removed in 2024/2025 FY.

- a) One fails to attend B. O. G meetings without clear reasons for a period of time.
- b) When one travels abroad for a reason and that the role played by him/her shall remain unattended for a long period of time.
- c) When one is convicted in any form of crime.
- d) When one rejects the appointment as a board member.

Roles/Functions of the board

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The mandate of the board of governors is to oversight fiduciary management in their daily responsibilities through the following committees.

1. **Audit and Risk Management Committee**
Ensures full implementation of internal control, risk management compliance with statutory and regulatory requirements.
2. **Administration, Finance and Infrastructure Committee**
Oversees Human Resource issues, infrastructure development, administrative functions, development partners and oversight activities.
3. **Education, Research and Training Committee**
Oversees the operations of the training in terms of professional development of trainees and collaborate with TVETA for accreditation of training programmes and courses.
Oversights in matters of quality assurance, relevance and standards in programs offered for training.

Induction and Training

In the FY 2024/2025, Siaya Institute of Technology had planned and undertaken programs for inductions and training of the Audit & Risk Committee for purposes of enhancing their oversight roles in the various committees.

Conflict of Interest

In the F/Y 2024/2025, Siaya Institute of Technology maintained conflict of interest register SIT/ADM/CIR/VOL.1 where before any meeting, members would declare interest if any for noting and appropriate action.

Remuneration of the Board of Governors

In the F/Y 2024/2025, Siaya Institute of Technology provided for remuneration of B.O.G members under B O G costs as was guided by Ministry of Education circular ref: MOE/SDTVET/DTE/ADM/144 dated 6th Dec 2024.

Each board members basic allowance was subjected to 35% tax as required by law and submitted to the commissioner of income tax at appropriate time.

Ethics and conducts of the Board of Governors.

In the F/Y 2024/2025, all the board members ethics and conducts were above board as witnessed in the achievements in the chairman's report.

9. Management Discussion and Analysis

SIAYA INSTITUTE OF TECHNOLOGY OPERATIONAL AND FINANCIAL PERFORMANCE

Siaya Institute of Technology is National institution under the Ministry of Education Directorate of TVET. The institution was established by the government to foster its agencies in food production and extension of farm services. Over times the institution has been embracing government policies and strategies as stipulated in the parent ministries policy paper and strategies.

The G.O.K under vision 2030 has come up with vibrant strategies to achieve vision 2030 M.D. G's and achieve the Big 4 Agenda of the government. This government development strategy has been castigated to ministries, government agencies. The institution as a government agency has adopted the ministry policies and strategies as follows:

- The institution has developed a strategic plan incorporating the government agenda.
- The institute has numerous courses and training programmes that are industry driven and oriented.
- The institute has vibrantly marketed itself and increased the student population taking various courses to help industrialize Kenya.
- The institute has implemented the National Cohesion Policy in employment and administration.

In implementing the above strategies, the institute has experienced the following challenges.

- Inadequate funding to support the programmes.
- Inadequate skilled manpower to drive the strategies and policies
- Strain on limited resources that exist within its environment.
- Drugs and substance abuse by youths that form a larger population of the largest group.
- Negative attitude towards technical education

Opportunities

- Linkages with industries mounting industry driven courses
- Government policies, strategies and commitments in sponsoring of trainees through KUCCPS and HELB
- A large population of high school leavers
- Development partner's willingness to support TVET sector.
- Employment opportunities in the private sector

FINANCIAL PERFORMANCE DURING THE PERIOD

Refer to page 1 to 5 on the performance of the below listed financial statements for the period ended 30th June 2025.

1.Statement of financial performance

2.Statement of financial position

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3. Statement of changes in net assets

4. Statement of cash flow

5. Statement of comparison of budget and actual amounts for the period

10. Environmental And Sustainability Reporting Statement

Sustainability strategy and profile

Siaya Institute of Technology exists to transform lives. This is our purpose; 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 organization's strategic objectives.

Category	Issue	Description
Political	Political Stability and goodwill	<ul style="list-style-type: none"> • Existence of TVET Act 2013. • In order to fulfil its mandate under TVET the Institute is expected to implement continual networking and linkages with national and county government to enhance accessibility and equity in training. • The Institute subscribes to national and international organizations such as TVETA, KATTI, KNEC, KASNEB, HELB, KUCCPS etc. these organizations provide opportunities of growth in science, technology, innovation and technical education in Kenya • The new political dispensation has opened opportunities for gender, Persons Living with Disability (PWDS) and marginalized communities to access technical education in Kenya. • The Government's initiative to have a TTI in every constituency and a national polytechnic in every county has created greater accessibility to technical education. • The creation of TVET Authority has enhanced registration, licensing and accreditation of the Institute's programs and trainers for development of competent workforce.

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		<ul style="list-style-type: none"> • Government capitation has enhanced enrolment in TVET institutions.
Economic	Low Youth Productivity	<ul style="list-style-type: none"> • Enhanced financial support leading to economic stability in TVET institutions • Weak inter-linkages currently exist among research, innovation, extension and commercialization of the Institute’s products. • Regulations /Bureaucracy / that govern Private-Public partnership. • Government capitation to students and TVET HELB loan/bursary translates to increased enrolment and student completion rate. • Government initiative that encourages 100% transition and encourages students to take SET.
Socio– Cultural	Poor attitude towards technical education and technical Institutes by the youths	<ul style="list-style-type: none"> • The College is committed to reversing the poor attitude towards technical education and technical Institutes by the youths which has led to the traditional progression of primary, secondary and university education. • Inhibitive traditional practices that hinder accessibility to TVET education. • Impact of HIV/AIDS and drug abuse has affected the Country. • A growing young and vulnerability population suffer from exploitation due to insufficient boarding infrastructure. • Marginalized population has benefited from training through inclusive educational policy. • National Cohesion and Integration initiative has created an environment that allows the Institute to admit

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		students from varied social-cultural background.
Technological	New and emerging technologies	<ul style="list-style-type: none"> • Government provision of training and learning equipment in technical departments has enhanced training in technical departments • The government is committed to expanding communication network through the fibre optic network which will facilitate telecommunication, and open distance (OD) and e-learning. • The Institute is committed to establishing an e-learning Centre and launching industry-based ICT programmes.
Environmental Factors	Environmental factors that influence education and application of ST&I	<ul style="list-style-type: none"> • The NEMA Act 2015 provides that all learning institutions in Kenya are entitled to a healthy environment which are required to safeguard and enhance. • Growth of social facilities like clubs and restaurants impacts on the morals of the students. • High Electricity bills make the institution to seek alternative energy supply from wood fuel thereby destroying the environment. • Lack of hostels is impacting negatively on students' morals
Legal Environment	Constitution of Kenya, Kenya Vision 2030, The "Big 4" Agenda, TVET Act	<p>There exists a variety of policies and policy instruments that influence training at the College. These policies are aligned to the Vision 2030 and the constitution of Kenya 2010. These policies affect the quality of training at tertiary level, thereby determining the quality of graduates produced from TVET institutions. These include:</p> <ul style="list-style-type: none"> • Basic Education Act • TVET Act 2013 • PSC Act

		<ul style="list-style-type: none"> • OSHA Act • Employment Act • Industrial Labor Relation Act
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Environmental performance

Siaya Institute of Technology has put in place an environmental policy that guides its operations. The Institute is committed to reducing its waste by a minimum of 1% per annum. Environmental Protection Act (EPA) – which establishes a duty of care on The SIT to ensure waste is stored responsibly and to record movement of waste and ensure that waste is transported and disposed of legally.

The Waste Management Policy has been produced to affirm the SIT commitment to safe and efficient waste management, to reduce and recycle waste produced and to ensure compliance with and exceed all legal requirements relating to waste management. It also promotes environmental and recycling issues as an integral element of its activities and demonstrates its commitment to continual improvement in environmental practices.

The SIT undertakes to:

- Follow efficient waste management and recycling procedures throughout the SIT and use of recyclable and recycled materials whenever appropriate.
- Promote a purchasing policy that will give preference, where practicable, to those products and services which cause least harm to the environment.
- To cut down on over-packaged products - is packaging reusable?
- To purchase refillable or reusable products e.g printer or toner cartridges
- To use or lease equipment that has waste reduction features e.g photocopiers, email etc. to use durable items where relevant, not one-trip disposable items
- To buy equipment that can easily be mended or has interchangeable parts
- To specify/buy items made with recycled materials
- To check stationery supplier catalogues for recycled items
- To consider using cost savings from waste reduction activities, e.g photocopiers set to double-sided, to pay for activities that may cost a little more until economies of scale come in to play.
- To investigate the options for centralized purchasing between organizations. Bulk buying cuts costs and gives more negotiating power with the supplier.

Waste Management Legislation

The Environment Agency provides advice and guidance on complying with legislation.

Implementation of the Waste Policy

Waste Hierarchy

The strategy uses the principle of the waste hierarchy:

1. REDUCE – the best approach to waste is to reduce it at source.
2. REUSE – if you cannot reduce it, then try to re-use it.

3. RECYCLE – if you cannot reuse it, then try to recycle it.

Implementation

Several recycling waste streams have been implemented. The key to successful recycling and reduction in landfill is to collect at source and segregate. A number of contracts with waste management and recycling firms need to establish in order to provide the means to implement the waste policy.

The following items have to be recycled:

1. All paper products (excluding blue roll)
2. Cardboard
3. Wood
4. Metal
5. Media waste – CD's; DVD's; floppy discs; videos; audio cassettes
6. Plastic bottles, packaging, cups, food containers and all metal cans
7. Glass
8. Garden waste
9. Batteries
10. Carpet Tiles
11. Waste Oil
12. Food
13. WEEE – waste electrical & electronic equipment
14. Furniture

Employee welfare

The Institute conducts human resource planning is conducted to help identify staffing needs, understand current and future hiring requirements.

The Institution being an equal opportunity employer does not discriminate against gender, race, religion, tribe or any other form.

The constitutional requirements on mainstreaming of gender ad persons with disabilities as stipulated in Article 232 of the Constitution of Kenya, 2021, alongside other policies issued by the national Cohesion and integration commission.

Recruitment

- The Institute is committed to attracting, motivating and retaining competent employees required for efficient and effective service delivery.
- The Institute is an equal opportunity employer and shall not in its recruitment and selection process, discriminate on the basis of gender, race, religion, ethnicity or any other form of discrimination. The constitutional requirement on mainstreaming of gender and persons with disabilities as stipulated in Article 232 of the Constitution of Kenya, 2010 will be observed alongside any policies issued by the National Cohesion and Integration Commission.

- The Institute's efficiency and effectiveness depends on the quality and competencies of the employees it engages. The Institute shall therefore endeavour to recruit suitably qualified and experienced employees with the right skills and experience required to achieve its goals and objectives.
- When making a decision on selection on first appointment, information concerning a candidate's general background and/or previous employment shall be verified. No appointment shall be offered to any employee prior to such verification.
- All appointments shall be made with the approval of the Board of Governors or as delegated and shall be within the approved establishment.
- Appointments in all cases shall be aligned to clear job descriptions and specifications for various cadres of employees in their respective fields of employment.
- In all cases, each employee shall be provided with the Human Resource Policies and Procedures Manual to read and sign the Acknowledgement Form to signify that they have understood the provisions of the policy.

Performance appraisal

Performance appraisal is a systematic process where employees' performance and contributions are assessed and evaluated periodically.

An employee's work is reviewed against set objectives, which are Specific, Measurable, Achievable, and Relevant, Time-bound (SMART), helping the management to make informed decisions about compensation, promotions, and development.

The employees' respective supervisors align performance metrics to the actual job description and expectations, which helps to figure out employees' performance and progress.

Compliance with OSHA

The Siaya Institute of Technology is committed to ensuring a safe working environment under the Occupational Safety and Health Act 2007, to adhere to health and safety laws. Compliance audit conducted to evaluate the Polytechnic's adherence to OSHA standards, identify potential hazards, and recommend corrective actions to ensure a safe and compliant workplace.

Care is taken so far as is reasonably practicable to protect all within and around the premises to ensure there is no personal injury caused by accidents.

The Institute registered as a workplace under Directorate of Occupational Safety and Health Services. The assessment involves:

- Periodic inspections of all facilities by the public health and sanitation, Machinery and Equipment Safety are inspected and regular maintenance is conducted.
- The Institute has put in place policy health and safety procedures
- Clinician in place to take of the trainees' ailments
- Emergency Exits are clearly marked, adequate lighting and ventilation are provided in all work areas.

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- Hazard Communication -All chemical containers and other hazardous items are properly labelled.
- Employees receive training from time to time on hazardous materials handling.
- Staff are provided with Personal Protective Equipment (PPEs)
- Training Programs are arranged at regular intervals where employees participate in safety training sessions.
- Health and Safety teams are established committees appointed Firefighting and First Aid teams

Guidelines to General Safety

- a) The Institute maintains healthy and safe working conditions to ensure there is no personal injury caused by accidents.
- b) Employees will always consider safety to themselves and others when performing their duties. They will not compromise on quality, cause injury, ill health, loss or environmental damage at all times.

Emergency Preparedness

- a) The Institute will put in place adequate plans for incidents such as accidents, explosions, fires, natural disasters and bomb threats, prepare and outline procedures to be followed in such events.
- b) Heads of Departments will have a responsibility of ensuring that all employees and visitors are informed of and are fully conversant with the emergency procedures.

Fire Precautions

- a) The Institute will ensure that fire protection facilities provided in the various stations are adequate and maintained as advised by the Fire Brigade and the Directorate of Occupational Safety and Health Services (DOSHS).
- b) The Institute will enforce all necessary fire precaution measures.

Fire Prevention

- a) No hazardous or highly inflammable materials should be stored in stations without the approval of the Principal.
- b) Positions of firefighting equipment must not be interfered with nor should firefighting equipment such as hose reels and extinguishers be used for purposes other than firefighting.
- c) The Institute will ensure that:
 - i. Health and Safety Committees are formed in all premises used by employees;
 - ii. The Committee members and all employees are trained; andFirefighting drills are conducted in all premises used by employees in accordance with the requirement of the Occupational Safety and Health Act, 2007.

Market place practices

Anticorruption-Sensitization on anticorruption using posters at the entrance and exit, and capacity building and sensitization on anticorruption among staff and trainees. The institution also has an anticorruption mitigation plan for all the service departments and offices. The institution also reviewed the citizen service delivery Charter and translated into braille, audio and

sign language video for inclusivity in terms of access to information and enhance customer service. A Corruption Prevention Committee (CPC) and Integrity Assurance Officers (IAOs) have also been appointed to coordinate corruption prevention activities. An anticorruption policy was also developed to enhance reporting and handling corruption cases which include online reporting to enhance anonymous reporting, and a whistle blower policy to protect individuals who raise corruption issues. Siaya institute of technology has a unique logo and brand colours that form part of infrastructure including the new gate, vehicles and cooperate shirts that are clearly displayed during internal and external activities to identify and promote the institution image. We also have an institutional flag that is raised next to the administration flag alongside the national flag to enhance identity. The institution is also registered with the state department for TVET and TVETA.

The institution also has a customer feedback mechanism and a complaints and complaints office that is both online and has a physical office to help improve service delivery.

Brand protection mechanism, cashless payment, public sensitization/outreach

Responsible supply chain and supplier relations

Explain how the organization maintains good business practices, treats its own suppliers responsibly by honoring contracts, respecting payment practices and allowing competitive procurement of services

The institution has a procurement office headed by a senior supply chain officer, and a finance office, both ensure prompt processing and payment of goods and services to suppliers. The institution also adheres to the finance act 2012 while handling financial issues. And PPRA procurement process. Tender advertisement is done on public newspapers to attract interested suppliers, tender box, tender opening and award is also conducted as per the PPRA guidelines. Payments are conducted within 90 days. The institution also adheres to AGPO as part of inclusivity and local content to promote local businesses and ensure prompt payments to the suppliers. Contracts are awarded competitively and maintained to the end of the contract period, renewed if services were delivered as per the agreement thus maintain the same suppliers.

Responsible marketing and advertisement or Responsible engagement with the citizens

Siaya institute of technology advertisement is conducted through road shows, outreach activities in the community through the local authorities and the institutional website. Detailed information about the programmes offered are posted in the institutional website including requirements for each program in terms of academic minimum requirements and other material requirements. There is a customer service desk and online customer feedback tool that customers can always make inquiries on the services offered. Fees structure are as per the MOE guidelines, and for short courses as per the local market prices. The institution encourages academic tours from local secondary school who are our potential customers to get a glimpse of the programs offered. Brochures with information on programmes offered are also available in both hard and soft copy in the website to the public. The institution does not engage in tainting the image of our competitors but rather promote our own image.

Product Stewardship or Awareness Creation

The institution has a functional quality management system and internal Quality system that ensure provision of quality services. Quarterly and annual internal and external audits by KEBS are conducted and reports disseminated to ensure adherence to standards. The institution is ISO 9001: 2015 certified. There are policies which include the academic policy that guide the training

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process. The institution is also a signatory to various regulatory and professional bodies including KNQA, KEBS, KNEC, CDACC, KNDI that ensure standards in training and alignment to industry. The institution is also registered with DOSH to ensure public health standards are adhered to.

How the institution safeguards citizens' rights and interests, providing adequate service information e.g NHIF, NSSF, application of licences, ID, passport, logbook, connection to power, water, right to representation when arrested, bail, right to peaceful demonstration, dispute resolution and redress, whistle blower rights, citizen data and privacy protection.

The institution has a trainee hand book with rules and regulations that govern trainees conduct in and out of the institution indicating their rights and responsibilities. The hand book is provided to all the trainees. There is also a trainee governing council that link the trainees to the administration to ensure that their interests and issues are addressed. The institution is connected to electricity and a backup generator and currently installing solar to most of the buildings to ensure availability of power throughout. The trainee election process has been automated thus ore credible, fast and convenient to the trainees. The whole institution is connected to clean water supply from the county government and a borehole that supply water whenever there is shortage. There are adequate sanitary facilities as per the public health regulations with sanitary towel disposal facilities in female toilets.

There's a human resource policy that aligns to PSC human resource policy and the employment act 2012 that guide staff competency development and performance management. All staff are assigned a health insurance (SHA) and NSSF including B.O.G staff, and a pension scheme for all staff under B.O.G. there is an ERP system with data protection that ensure privacy and safety of institution data under the ICT office headed by the ICT officer. All staff and trainees possess an ID and portal in the ERP system therefore can access internet and services online. SIT also have firewalls and antivirus installed in our computers, and an ICT policy that is aligned to the ICT authority policy. The institution also has an active website that I accessible to both internal and external customers. Most our customer facing services such as admission and registration, and trainee election have been automated t enhance efficiency and effectiveness of service delivery, and convenience to the customers. The institution also has a staff welfare managed by a welfare committee and a staff welfare policy that cater for staff welfare including benevolent support. All staff are entitled to paid annual leave, maternity, paternity and sabbatical leave to enhance their welfare. There is also a guidance and counselling department that is accessible to both trainees and staff to dela with issues mental health. There is a disciplinary committee that handle disciplinary issues among both staff and trainees and the accused are given a fair hearing. All issues are resolved within the institution unless it proves necessary to engage external institutions.

Corporate Social Responsibility / Community Engagements

Engagement of Local Youths in Internal Construction Projects

Siaya Institute of Technology engaged local youth and trainees from Agriculture and Building Departments in the following activities.

1. Sporting activities.
2. Farmwork activities.
3. Phased Completion of Library/ Administration Complex Project.

4. Construction of the Proposed Building and Civil Engineering Workshops Project.



Siaya Institute of Technology play grounds were used by Youths and Institutions in various sporting activities.





Siaya Institute of Technology collaborate with the local community members in Farmwork Activities

Involvement of local community and the youth in Farmwork Activities.

Involvement of the local community and youth in the Phased Completion of the Library/ Administration Complex Project.



Involvement of the local community and the youth in the construction of Building and Civil Engineering Workshops Complex Project.



Status of the Building and Civil Engineering Complex Project as at 30th June 2025.

11. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the *Siaya Institute of Technology* affairs.

Principal activities

The principal activities of the Siaya Institute of Technology are Impart skills to learners, Promote and carry out Research relating to its mandate and Promote Recognition of cultural values through hosting of open day

Results

The results of the Siaya Institute of Technology for the year ended June 30 2025 are set out on page 1 to 5 of the Financial Statements.

Board of Governors

The members of the Board who served during the year are shown on page vi to xi.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Siaya

Date: 30/6/2025

12. Statement of Board of Governors' Responsibilities

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

The board members are responsible for the preparation and presentation of the *Siaya Institute of Technology* financial statements, which give a true and fair view of the state of affairs of the *Siaya Institute of Technology* for and as at the end of the financial year (period) ended on June 30, 2025. 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 *Siaya Institute of Technology*, (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 *Siaya Institute of Technology*, (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 *Siaya Institute of Technology* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 *the TVET Act*. The council members are of the opinion that the *Siaya Institute of Technology* financial statements give a true and fair view of the state of *Siaya Institute of Technology* transactions during the financial year ended June 30, 2025, and of the *Siaya Institute of Technology* financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the *Siaya Institute of Technology*, which have been relied upon in the preparation of the *Siaya Institute of Technology* financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the *Siaya Institute of Technology* ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that the *Siaya Institute of Technology* will not remain a going concern for at least the next twelve months from the date of this statement.

Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

Approval of the financial statements

The *Siaya Institute of Technology* financial statements were approved by the Board on 30/6/25 and signed on its behalf by:



.....
Prof. Susan M. Kilonzo
Chairperson of the Board



.....
Daniel O. Randa
Chief Principal

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SIAYA INSTITUTE OF TECHNOLOGY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Siaya Institute of Technology set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of

the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Siaya Institute of Technology at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis), the Technical and Vocational Education Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Receivables from Exchange Transactions

The statement of financial position reflects an amount of Kshs.37,648,309 relating to current portion of receivables from exchange transactions. Review of the debtors ageing analysis revealed that debtors amounting to Kshs.7,600,387 have been outstanding for more than three hundred and sixty-five (365) days. Management did not provide evidence of efforts made to collect the outstanding debts. Further, no evidence was provided for provision for bad and doubtful debts and the finance policy does not address how to treat the debts and the period they should remain outstanding before being written off. Further, the management did not provide a listing of the ageing analysis with trainees' details as broken down under Note 21(b).

In the circumstances, the recoverability of the receivables from exchange transactions balance of Kshs.37,648,309 could not be confirmed.

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

Emphasis of Matter

Budget Control and Performance

During the year under review, Siaya Institute of Technology had an approved budget of Kshs.320,748,313 but received actual amounts of Kshs.249,177,647 resulting to a variance of Kshs.71,570,666 or 22%, which was erroneously disclosed as Kshs.44,029,976 resulting in a variance of Kshs.27,540,690. During the same period, Siaya Institute of Technology recorded expenditure of Kshs.198,564,125 resulting to an under-absorption of the budget by Kshs.53,975,728.

The under-absorption might have affected service delivery to stakeholders.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal controls, Risk management and governance. However, Management had not resolved the issues as at year end as detailed in Table 1 below:

S/No.	Financial Year	Issue
1.	2023/2024	Incomplete Transfers from Other National Government Entities
2.	2023/2024	Unsupported Revenue from Rendering of Services – Fees from Students
3.	2023/2024	Receivables from Exchange Transactions
4.	2023/2024	Budgetary Control and Performance
5.	2023/2024	Delays in Disbursement of Government Capitation Grants
6.	2023/2024	Non-Compliance with Law on Ethnic Composition
7.	2023/2024	Staff with Negative Salaries
8.	2023/2024	Lack of Land Ownership Documents and Valuation Report
9.	2023/2024	Stalled Project

Other Information

The Management is responsible for the Other Information set out on page iii to xlv which comprise of Key Siaya Institute of Technology Information and Management, The Board of Governors, Management Team, Chairman's Statement, Report of the Chief Principal, Statement of Performance Against Predetermined Objectives, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of the Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Delayed Receipt of Government Capitulations

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects transfers from other government entities of Kshs.67,871,729 which consists of capitation grants and scholarship of Kshs.31,369,000 and Kshs.36,502,729 respectively. The capitation was received late and not all capitulations were received for the year. This is contrary to Regulation 51(1)(e) of the Public Finance Management Regulations, 2015 which requires AIEs to be issued not later than the 15th day of each quarter to allow ample time for delivery, acceptance and payments of goods and services.

The delays in capitation may have impacted negatively on timely service delivery to stakeholders.

2. Delayed Project Completion

The contract for the proposed administration and library complex at a contract sum of Kshs.77,338,714 was signed on 24 August, 2018 and was to end on 18 September, 2019. On 29 July, 2020, the contract was mutually terminated with completed works estimated at Kshs.38,438,868 or approximately 49% which was fully paid to the contractor. The Project was again re-advertised and on 6 December, 2024, the Management entered into a labour-based contract agreement at a contract sum of Kshs.4,987,980 vide contract number SIT/RFQ/PC/01/2024-2025; for the proposed phased completion of the ground and first floor of wing A of the library /administration block. The project duration was 24 months from the date of signing the contract. However, project verification in November, 2025 revealed that even though the contractor was on site, the project was progressing at very slow pace.

In the circumstances, value for money on the expenditure incurred on the proposed development of proposed administration/library complex could not be confirmed.

3. Non- Compliance with Law on Ethnic Composition

Review of the payroll bio data provided for audit revealed that out of the Institute's 149 employees, a total of 133 employees representing 89.3% came from the dominant ethnic community contrary to the National Cohesion and Integration Act which requires that, no public establishment shall have more than one third of its staff from the same ethnic community.

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

4. Gaps in the Staff Establishment

Review of records maintained by Siaya Institute of Technology revealed that the Institute had a total of one hundred and ninety-six (196) staff comprising of trainers posted by Public Service Commission, trainers posted by Board of Governors and non-teaching staff. Scrutiny of the staff establishment revealed staff projections for three hundred and twenty-two (322) staff members resulting to understaffing of 126 staff thereby limiting its ability to effectively deliver the full range of services. This is contrary to Section 2.6 of the Siaya Institute of Technology Human Resource Policies Manual 2021 which requires that the Principal shall constitute a Human Resource Management Advisory Committee (HRMAC). The Committee shall be responsible for advising the Principal on all human resource management and development issues as may be delegated by the Board of Governors.

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

5. Engagement of Casuals Beyond the Stipulated Period

The Statement of financial performance and as disclosed in Note 13 to the financial statement is employee costs of Kshs.43,700,073. During the year under review, Siaya Institute of Technology engaged 2 employees as casual workers. However, the supporting documents relating to how the casual employees were engaged were not provided for audit review. There were no documents indicating that there were vacancies to be filled relating to casual workers. It was noted that the institution does not have a casuals recruitment framework that could be used to determine the terms of engagement. Further, the casuals had been performing tasks that were long term in nature with their contracts renewed after every three months. This is contrary to Section 37 (a) of the Employment Act, 2012 which requires that where a casual employee works for a period or a number of continuous working days which amount in the aggregate to the equivalent of not less than one month, then there should be conversion of casual employment to term contract.

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

6. Failure to Observe Reservations in Employment

Review of staff bio data for Siaya Institute of Technology revealed that out of 149 employees, only one (1) is a person living with disabilities representing 0.6% of the total population contrary to Section 13 of the Persons with Disability Act, 2022 which states that, "the Council shall endeavor to secure the reservation of five per cent of all casual, emergency and contractual positions in employment in the public and private sectors for persons with disabilities."

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Updated Asset Register

The statement of financial position and as disclosed in Note 24 to the financial statements reflects property, plant and equipment balance of Kshs.668,884,639. However, review of the assets provided indicated that not all fields were updated especially asset code/tag number, asset model, assets serial number. Other fields like depreciation rate, accumulated depreciation, depreciation charge for the year and net book value of the asset were completely lacking in the assets register.

Inability by the Hospital to track its assets can lead to theft, losses, wastage and misuse.

2. Ineffective Internal Audit Unit

Review of the Siaya Institute of Technology internal audit function revealed that the internal audit department was understaffed, with only one staff instead of the two prescribed by the staff establishment, limiting its effectiveness. Further, neither the audit committee members nor the internal audit staff attended any capacity-building training during the year, contrary to Regulation 162(2a) of the Public Finance Management (National Governments) Regulations, 2015. Further, although management responded to audit reports, the Institute lacked a formal action plan to implement internal audit recommendations.

As a result, the adequacy of governance mechanisms for addressing internal audit findings could not be confirmed.

3. Non-evaluation of the Board members

The statement of financial performance and as disclosed in Note 14 to the financial statement is board expenses of Kshs.6,098,900. It was noted that some of the board members were serving their second term. However, the Institute did not undertake an annual board evaluation exercise in order to identify strengths, collective skills gap and individual areas of improvements for the board members.

In the circumstances, the board may fail to achieve its objectives due to inefficiency.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Governance

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

The Board of Governors 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025



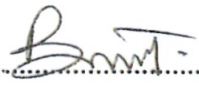
Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

14. Statement of Financial Performance For The Year Ended 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	67,871,729.00	49,066,792.00
Grants from donors and development partners	7	0.00	1,393,050.00
		67,871,729.00	50,459,842.00
Revenue from Exchange transactions			
Rendering of services- fees from students	8	203,602,168.00	183,562,219.00
Sale of goods	9	802,411.00	559,582.00
Rental revenue from facilities and equipment	10	5,859,039.00	2,287,566.00
Miscellaneous income	11	8,690,609.00	2,581,500.00
Revenue from Exchange transactions		218,954,227.00	188,990,867.00
Total Revenue		286,825,956.00	239,450,709.00
Expenses			
Use of goods and services	12	96,144,601.00	67,264,368.00
Employee costs	13	47,469,976.00	40,554,892.00
Board Expenses	14	6,098,900.00	3,298,200.00
Depreciation and amortization expense	15	29,845,688.00	24,742,176.00
Repairs and maintenance	16	26,276,501.00	13,609,652.00
Contracted services	17	3,200,807.00	2,534,742.00
Finance Cost	34	9,536,355.00	0.00
General/Admin Cost	19	44,101,088.00	30,304,730.00
Provision for bad and doubtful debts	35	3,650,000.00	5,350,000.00
Total Expenses		266,323,916.00	187,658,760.00
Net surplus/(deficit) for the year		20,502,040.00	51,791,949.00

(The notes set out on pages 7 to 43 form an integral part of the Annual Financial Statements).

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

		
.....
Chairman of Board	Principal	Finance Officer
		ICPAK No 28906
Date 30/6/2025	Date 30/6/2025	Date 30/6/2025

Comparative FY refers to the financial year preceding the current year.

Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

15. Statement of Financial Position As At 30th June 2025

Description	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	20	3,151,218.00	11,808,461.00
Current portion of receivables from exchange transactions	21	37,648,309.00	37,289,887.00
Inventories	22	2,321,912.00	2,723,586.00
Mattresses	23	473,996.00	526,662.00
Total Current Assets		43,595,435.00	52,348,596.00
Non-Current Assets			
Property, plant, and equipment	24	668,884,639.00	539,611,592.00
Intangible assets	25	7,349,900.00	7,595,100.00
Biological Assets	26	295,000.00	275,000.00
Total Non-Current Assets		676,529,539.00	547,481,692.00
Total Assets (A)		720,124,974.00	599,830,288.00
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	27	30,837,198.00	11,165,242.00
Employee benefit obligation	28	1,677,851.00	972,268.00
Payments received in advance	29	4,055,346.00	2,660,397.00
Total Current Liabilities		36,570,395.00	14,797,907.00
Total Liabilities (B)		36,570,395.00	14,797,907.00
Net Assets (A-B)		683,554,579.00	585,032,381.00
Represented By:			
Accumulated Surplus		165,286,160.00	144,784,120.00
Capital Fund		518,268,419.00	440,024,261.00
Net Assets		683,554,579.00	585,032,381.00

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


.....

Chairman of Board

Date 30/6/2025


.....

Principal

Date 30/6/2025


.....

Finance Officer

ICPAK No 28506

Date 30/6/2025

Comparative FY refers to the financial year preceding the current year.

16. Statement of Changes in Net Asset For The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023 (previous year)	365,677,403.00	92,990,171.00	61,140,746.00	519,808,320.00
Surplus/(deficit) for the year	0.00	51,793,949.00	0.00	51,793,949.00
Capital fund received during the year	0.00	0.00	13,430,112.00	13,430,112.00
At June 30, 2024	365,677,403.00	144,784,120.00	74,570,858.00	585,032,381.00
At July 1, 2024 (current year)	365,677,403.00	144,784,120.00	74,570,858.00	585,032,381.00
Revaluation gain	67,520,158.00	0.00	0.00	67,520,158.00
Surplus/(deficit) for the year	0.00	20,502,040.00	0.00	20,502,040.00
Capital fund received during the year	0.00	0.00	10,500,000.00	10,500,000.00
At June 30, 2025	433,197,561.00	165,286,160.00	85,070,858.00	683,554,579.00

Note:

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

Siaya Institute of Technology
Annual Report and Financial Statements for the year ended 30th June 2025

17. Statement of Cash Flows For The Year Ended 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	67,871,729.00	39,767,367.00
Grants from donors and development partners	7	0.00	1,393,050.00
Rendering of services- fees from students	8	165,953,859.00	90,850,092.00
Sale of goods	9	802,411.00	559,582.00
Rental revenue from facilities and equipment	10	5,859,039.00	2,287,566.00
Miscellaneous income	11	8,690,609.00	2,581,500.00
Total Receipts		249,177,647.00	137,439,157.00
Payments			
Use of goods and services	12	76,239,756.00	55,516,839.00
Employee costs	13	43,700,073.00	39,722,624.00
Board Expenses	14	5,284,100.00	3,298,200.00
Repairs and maintenance	16	26,276,501.00	13,110,348.00
Contracted services	17	2,962,607.00	2,313,417.00
Mentorship	18	0.00	0.00
General/Admin Cost	19	44,101,088.00	30,119,417.00
Total Payments		198,564,125.00	144,080,845.00
Net Cash Flows from operating activities		50,613,522.00	(6,641,688.00)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	34	(9,536,355.00)	(13,760,959.00)
Proceeds from sale of property, plant and equipment	8	10,500,000.00	13,430,112.00
Net cash flows used in investing activities		963,645.00	(330,847.00)
Net Increase/(Decrease) in Cash and Cash equivalents		(60,234,410.00)	(6,972,535.00)
Cash and Cash equivalents at 1 JULY 2024	20	11,808,461.00	18,780,996.00
Cash and Cash equivalents at 30 JUNE 2025	20	3,151,218.00	11,808,461.00

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	A	B	c=(a+b)	D	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*	-	0.00	0.00	0.00	0.00	0.00
Receipts						
Transfers from other National Government entities	127,000,000	0	127,000,000	67,871,729	(59,128,271)	(47%) A
Grants from donors and development partners	0	0	0	0	0	0%
Rendering of services- fees from students	179,774,204	0	179,774,204	165,953,859	13,820,345	(8 %)B
Sale of goods	1,000,000	0	1,000,000	802,411	(197,589)	(20%)C
Rental revenue from facilities and equipment	4,283,500	0	4,283,500	5,859,039	1,475,539	37% D
Miscellaneous Income	0	8,690,609	8,690,609	8,690,609	0	0%
Total Receipts	312,057,704	8,690,609	320,748,313	249,177,647	(44,029,976)	(22%)
Payments						
Use of goods and services	139,845,797	0	139,845,797	76,239,756	(63,606,041)	(45%) E
Employee costs	47,422,240	0	47,422,240	43,700,073	(3,722,167)	(8%)
Board Expenses	6,500,000	0	6,500,000	5,284,100	(1,215,900)	(18%)
Repairs and maintenance	28,000,000	0	28,000,000	26,276,501	(1,723,499)	(6%)
Contracted services	3,474,120	0	3,474,120	2,962,607	(511,513)	(15%)
General/Admin Cost	62,546,547	0	62,546,547	44,101,088	(18,445,459)	(29%) F
Total Expenditure Payments	287,788,704	0	287,788,704	198,564,125	(64,490,305)	
Capital Expenditure Payments	24,569,000	0	24,569,000	69,770,765	(15,010,645)	
Surplus	312,057,704	8,690,609	302,357,704	(19,157,243)		

(Budget carryovers This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the Exchequer. Budget carryovers should not include third-party funds such as contractors' retention.)*

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Budget notes

1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14
 - A. The short fall was as a result of non-disbursement of capitation funds in Q4
 - B. The difference was attributed to increased parental obligation due to non-disbursement of capitation funds.
 - C. The difference was as a result of improved marketing of our facilities for hire
 - D. The difference was as a result of revenue short fall arising from non-disbursement of capitation fees
 - E, F&G. The difference was attributed to revenue short fall arising from non-disbursement of capitation funds.
2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

-Under miscellaneous income, we never anticipated hosting KATTI ball games both regional and national hence the difference between the original budget and final budget.

Budget Reconciliation

Description of Particulars		Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(19,157,243.00)
1	Proceeds for PPE	10,500,000.00
2	Balance b/d	11,808,461.00
	Closing Cash and Cash Equivalent as per the statement of Cash flows	3,151,218.00

19. Notes to the Financial Statements

1. General Information

Siaya Institute of Technology is established by and derives its authority and accountability from TVET Act. The Siaya Institute of Technology is wholly owned by the Government of Kenya and is domiciled in Kenya. The Siaya Institute of Technology principal activity is 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, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *Siaya Institute of Technology* accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Siaya Institute of Technology*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act. The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

There are no new and amended standards issued in the financial year.

ii. *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.*

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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 cashflows of an Siaya Institute of Technology. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across

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	<p>IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Siaya Institute of Technology shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Siaya Institute of Technology financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

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The Siaya Institute of Technology did not early – adopt any new or amended standards in the financial year or *the Siaya Institute of Technology adopted the following standards early (state the standards, reason for early adoption and impact on Siaya Institute of Technology financial statements.)*

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 Siaya Institute of Technology and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Siaya Institute of Technology 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 Siaya Institute of Technology.

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.

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.

Budget information

The original budget for FY 2024/2025 was approved by the Board on *June 30th 2024*. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Siaya Institute of Technology upon receiving the respective approvals to conclude the final budget. Accordingly, the Siaya Institute of Technology recorded additional appropriations of **xxx** on the FY 2024/2025 budget following the Board's approval. The Siaya Institute of Technology budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. 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 Cashflows has been presented.

b) Taxes

Current income tax

The Siaya Institute of Technology is exempt from paying taxes as per schedule **xxx** of the **xxx** 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.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit. (Siaya Institute of Technology to amend appropriately).* 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.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Siaya Institute of Technology recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

e) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Siaya Institute of Technology. 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 Siaya Institute of Technology 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 to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Siaya Institute of Technology will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Siaya Institute of Technology. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

f) Intangible assets

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

g) Biological Assets

The Siaya Institute of Technology recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the Siaya Institute of Technology, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

h) Research and development costs

The Siaya Institute of Technology expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Siaya Institute of Technology 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 less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Siaya Institute of Technology assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Siaya Institute of Technology recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

Inventories (Continued)

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 *Siaya Institute of Technology*.

k) Provisions

Provisions are recognized when the *Siaya Institute of Technology* 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 *Siaya Institute of Technology* 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 *Siaya Institute of Technology* 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 *Siaya Institute of Technology* 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 *Siaya Institute of Technology* 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) Social Benefits

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

m) Nature and purpose of reserves

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

n) Changes in accounting policies and estimates

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

o) Employee benefits

Retirement benefit plans

The *Siaya Institute of Technology* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Siaya Institute of Technology pays fixed contributions into a separate Siaya Institute of Technology (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. (*the Siaya Institute of Technology to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies*)

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

q) 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.

r) Related parties

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

s) Service concession arrangements

The *Siaya Institute of Technology* 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 *Siaya Institute of Technology* 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 *Siaya Institute of Technology* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Cash and cash equivalents

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

u) Comparative figures

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

v) 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, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Siaya Institute of Technology* 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 Siaya Institute of Technology 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 Siaya Institute of Technology. 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 *Siaya Institute of Technology*.
- 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
- Depreciation charge is on reducing balance method at the following rates:
 - Buildings 7%
 - Motor Vehicles 3%
 - Furniture & Fittings 5%
 - Computers 5%
 - Machinery 5%
 - ERP System(Amortization) 3%
 - Tools & Equipment 3%
 - Library materials 3%
 - Cutleries 3%
 - Expandable stores 4%
 - Mattress 10%

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	31,369,000.00	43,083,925.00
Scholarship	36,502,729.00	7,767,048.00
Total unconditional Grants	67,871,729.00	50,850,973.00

(a) Transfers from other Government entities (Categorized)

Name of the entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	67,871,729.00	0.00	0.00	67,871,729.00	50,850,973.00
Total	67,871,729.00	0.00	0.00	67,871,729.00	50,850,973.00

*Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached.

The details of the reconciliation have been included under appendix III

7. Grants from Donors and Development Partners

Description	2024/2025	2023/2024
	Kshs	Kshs
GIZ/Gfa consulting group	0.00	1,393,050.00
Total Grants from Development Partners	0.00	1,393,050.00

(a) Reconciliations of grants from donors and development partners

Description	2024/2025	2023/2024
	Kshs	Kshs
Balance unspent at beginning of year	0.00	1,305,282.00
Current year receipts	0.00	1,393,050.00
Conditions Met - Transferred to Revenue	0.00	2,698,332.00
Conditions Yet To Be Met - Remain Liabilities	0.00	0.00

Note: No grants had been received from GIZ to support agriculture students in acquisition of training materials in agri-business short courses during the year under review.

8. Rendering of Services

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Capitation	Fees	capitation	fees
Tuition fees	24,260,118.00	33,704,333.00	19,687,954.00	35,087,903.00
Personal Emoluments	7,250,000.00	40,000,000.00	8,279,888.00	34,119,356.00
EWC	1,200,000.00	9,434,100.00	2,676,272.00	9,436,108.00
LT&T	1,000,000.00	13,419,400.00	1,784,181.00	10,160,200.00
RMI	3,500,000.00	25,000,000.00	2,975,695.00	12,709,000.00
Activity	400,000.00	9,310,000.00	2,784,181.00	9,201,819.00
Admin cost	9,000,000.00	33,250,134.00	6,686,020.00	32,515,123.00
Library fees	500,000.00	4,834,000.00	1,070,509.00	6,096,586.00
Students Organisation	0.00	3,250,201.00	356,836.00	1,636,114.00
Medical	201,211.00	1,400,000.00	535,254.00	2,032,195.00
Registration	0.00	3,200,000.00	0.00	1,723,200.00
Development	0.00	10,500,000.00	1,784,181.00	11,645,931.00
Industrial Attachment	0.00	2,500,000.00	500,000.00	2,011,000.00
Boarding fee	7,350,000.00	6,000,000.00	1,500,000.00	4,296,600.00
Examination	13,210,400.00	7,800,000.00	0.00	22,767,015.00
Total Rendering of Services	67,871,729.00	203,602,168.00	50,850,973.00	195,438,150.00

Note: Included are accrued student debtors of KSHS.37,648,309.00

9. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Sale of Farm Produce	483,440.00	307,245.00
Cafeteria sales	318,971.00	252,337.00
Total Revenue from Sale of Goods	802,411.00	559,582.00

10. Rental revenue from facilities and equipment

Description	2024/2025	2023/2024
	Kshs	Kshs
Bus Hire	973,500.00	906,000.00
Hire of Facilities and Equipment	4,885,539.00	1,381,566.00
Total	5,859,039.00	2,287,566.00

(Hire of facilities comprise of charges for use of playground and conference facilities)

11. Miscellaneous Income

Description	2024/2025	2023/2024
	Kshs	Kshs
KETTISO Ball games	6,486,800.00	2,581,500.00
Graduation	2,195,109.00	0.00
Disposable Proceeds	8,700.00	0.00
Total other income	8,690,609.00	2,581,500.00

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified.)

12. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Electricity, Water & Conservancy	1,729,709.00	1,619,638.00
Activity	10,352,806.00	4,968,250.00
Medical	0.00	181,409.00
Student Organization	1,136,100.00	1,205,000.00
Industrial Attachment	647,520.00	2,200,359.00
Library	371,683.00	77,600.00
Tuition fees	71,194,228.00	42,186,001.00
Boarding	6,995,692.00	10,502,500.00
Local, Travel and Transport	3,716,863.00	4,321,611.00
Total good and services	96,144,601.00	67,262,368.00

Note: Included are unpaid obligations amounting to KSHS. 19,904,845.00 for the period ended 30th June 2025 and Kshs. 7,787,300.00 for Examination fee.

13. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Salaries and wages	32,396,898.00	30,355,902.00
Employee related costs - contributions to pensions and medical aids	15,073,078.00	10,198,990.00
Employee Costs	47,469,976.00	40,554,892.00

Note: Included is unpaid employee related costs of KSHS.863,051.00 for statutory deductions and June 2025 staff emoluments of KSHS.2,906,852.00.

14. Board Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Chairman's Honoraria	180,000.00	0.00
BOG Expenses	5,918,900.00	3,298,200.00
Total	6,098,900.00	3,298,200.00

Note: Included are accrued withholding tax of 35% on BOG allowances amounting to KSHS.831,096.00 and chairman's Honoraria of KSHS.30,000.00 for the month of June 2025.

15. Depreciation and Amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, plant and equipment	29,515,169.00	24,448,758.00
Intangible assets	277,853.00	234,900.00
Mattresses	52,666.00	58,518.00
Total depreciation and amortization	29,845,688.00	24,742,176.00

16. Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Masonry Works	0.00	0.00
Service of Machine	505,850.00	969,780.00
Other Repair Work	25,770,651.00	12,639,872.00
Total Repairs and Maintenance	26,276,501.00	13,609,652.00

17. Contracted Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Security Services	3,200,807.00	2,534,742.00
Total contracted services	3,200,807.00	2,534,742.00

Note: Included are accrued expenses of kshs.238,200.00 for the period under review

18. Mentorship

Description	2024/2025	2023/2024
	Kshs	Kshs
Ugunja TVC	0.00	0.00
Total Mentorship	0.00	0.00

19. General/Admin Cost

Description	2024/2025	2023/2024
	Kshs	Kshs
Research & Innovation	971,965.00	847,800.00
Performance Contracting	3,135,440.00	4,248,650.00
Printing Services	1,510,280.00	2,640,334.00
Subscriptions	926,055.00	65,000.00
Skill & Development Costs	2,855,634.00	4,227,860.00
Other Admin Expenses	34,701,714.00	18,275,086.00
Total Cash and Cash Equivalents	44,101,088.00	30,304,730.00

20. Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	1,082,412.00	541,894.00
Savings Account	2,056,306.00	11,262,497.00
Cash in Hand	12,500.00	4,070.00
Total Cash and Cash Equivalents	3,151,218.00	11,808,461.00

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

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1106857135	986,498.00	441,180.00
Cooperative Bank	01120255255900	66,944.00	71,744.00
Kenya Commercial Bank	1255643730	28,970.00	28,970.00
b) Sub- Total		1,082,412.00	541,894.00
Savings Account			
Kenya Commercial Bank	1104908875	2,056,250.00	11,260,873.00
Kenya Commercial Bank	1133066399	56.00	1,624.00
c) Sub-Total		2,056,306.00	11,262,497.00
Others			
Cash in Hand		12,500.00	4,070.00
Sub- Total		12,500.00	4,070.00
Grand Total		3,151,218.00	11,808,461.00

21. Receivables from Exchange transactions

21 (a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	37,648,309.00	37,287,887.00
Total Current Receivables	37,648,309.00	37,287,887.00

21 (b) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs	% of the total	Kshs	% of the total
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	30,047,922.00	79.8%	25,508,857.00	67%
Between 1- 2 years	5,245,887.00	13.9%	6,925,030.00	18%
Between 2-3 years	2,354,500.00	6.3%	3,650,000.00	10%
Over 3 years	0.00	0%	1,206,000.00	5%
Total (a+b)	37,648,309.00	100%	37,287,887.00	100%

22. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Stationery	1,641,081.00	627,518.00
Dry Foodstuff	482,069.00	1,861,794.00
Cleaning materials stores	198,762.00	234,274.00
Total Inventories at lower of Cost and Net Realizable Value	2,321,912.00	2,723,586.00

(Provide brief explanation on inventories)

Detailed disclosure on inventories

	2024/2025	2023/2024
Opening balance	2,723,586.00	2,360,168.00
Additional Inventory in the year	21,889,588.00	20,763,123.00
Inventory expensed in the year	22,291,262.00	20,399,705.00
Write-downs in the year	0.00	0.00
Closing balance	2,321,912.00	2,723,586.00

23. Mattresses

Description	2024/2025	2023/2024
		Kshs
As at 1 st July	526,662.00	585,180.00
Additions	0.00	0.00
Disposals	0.00	0.00
Sub totals	526,662.00	585,180.00
Depreciation	(52,666.00)	(58,518.00)
Total Mattresses at lower of Cost and Net Realizable Value	473,996.00	526,662.00

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Odongo Kabita & valuers ltd, professional valuers. These amounts were adopted in the financial statements on 22/08/2025

24 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land (Revaluation)	159,600,000.00	0.00	159,600,000.00
Buildings	376,321,057.00	112,836,595.00	263,484,462.00
Motor vehicles	30,746,676.00	11,878,222.00	18,868,454.00
Furniture and fittings	23,608,936.00	7,281,460.00	16,327,476.00
Computers	9,959,767.00	3,019,870.00	6,939,897.00
Machinery	167,479,805.00	28,564,012.00	138,915,793.00
ERP System	16,314,240.00	8,706,873.00	7,607,367.00
Tools and Equipment	9,808,662.00	2,656,445.00	7,152,217.00
Capital Work in progress	46,767,573.00	0.00	46,767,573.00
Expendable Stores	264,240.00	23,765.00	240,475.00
Library Material	4,319,483.00	1,133,956.00	3,185,527.00
Cutleries	1,920,044.00	959,106.00	960,938.00
Total	847,110,483.00	177,060,304.00	670,050,179.00

25. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	7,595,100.00	0.00
Additions	0.00	7,830,000.00
At end of the year	7,595,100.00	7,830,000.00
Additions—internal development	0.00	0.00
At end of the year	7,595,100.00	7,830,000.00
Amortization and impairment		
At beginning of the year	0.00	0.00
Amortization	227,853.00	234,900.00
At end of the year	227,853.00	234,900.00
Impairment loss	0.00	0.00
At end of the year	227,853.00	234,900.00
NBV	7,367,247.00	7,595,100.00

26. Biological Assets

	2024/2025	2023/2024
	Kshs	Kshs
Cattle	80,000.00	60,000.00
Goats	40,000.00	25,000.00
Chicken	175,000.00	190,000.00
Total	295,000.00	275,000.00

(Provide the necessary disclosures)

27. Trade and Other Payables

Description	2024/2025		2023/2024	
	Kshs	% of the	Kshs	% of the
Trade payables	19,904,845.00		11,102,542.00	
Fees paid in advance	4,055,346.00		2,660,397.00	
Statutory deductions	1,677,851.00		972,268.00	
Exam / Assessment Fees	7,787,300.00		62,700.00	
June 2025 Security wages	238,200.00		0.00	
June 2025 Staff Salaries	2,906,853.00		0.00	
Total Trade and Other Payables	36,570,395.00		14,797,907.00	
Ageing analysis:	2024/2025	% of the	2023/2024	% of the

		Total		Total
Under one year	30,837,198.00	100%	14,797,907.00	100%
1-2 years	0.00	%	0.00	0%
2-3 years	0.00	%	0.00	0%
Over 3 years	0.00	%	0.00	0%
Total (to tie to totals above)	30,837,198.00	100%	14,797,907.00	100%

28. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024/2025	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	1,677,851.00	0.00	0.00	1,677,851.00	972,268.00
Non-Current Benefit Obligation	0.00	0.00	0.00	0.00	0.00
Total Employee Benefits Obligation	1,677,851.00	0.00	0.00	1,677,851.00	972,268.00

The Siaya Institute of Technology also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. Other than NSSF the Siaya Institute of Technology also has a defined contribution scheme operated by Pension Fund. Employees contribute tier 1 and 2 while employers contribute a similar amount of gross salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

29. Payments received in advance.

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Fees received in advance	4,055,346.00		7,834,919.00	
Total	4,055,346.00		7,834,919.00	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	4,055,346.00	100%	7,834,919.00	100%
1-2 years	0.00	%	0.00	%
2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total	4,055,346.00	100%	7,834,919.00	100%

30. Cash generated from operations.

Surplus for the year before tax	2024/2025	2023/2024
	Kshs	Kshs
Adjusted for:		
Depreciation	28,402,295.00	24,507,276.00
Non-Cash grants received	0.00	0.00
Contributed assets	0.00	0.00
Impairment/Amortization	277,853.00	234,900.00
Gains and Losses on Disposal of Assets	0.00	0.00
Contribution to provisions	(9,030,035.00)	(29,152,285.00)
Contribution to impairment allowance	0.00	0.00
Finance Income	(10,500,000.00)	(13,430,112.00)
Finance Cost	9,536,358.00	13,760,959.00
Working Capital Adjustments		
Increase in Inventory	1,674.00	(761,106.00)
Increase in Receivables	358,472.00	(3,791,980.00)
Increase in Deferred Income	0.00	.0.00
Increase in Payables	19,671,949.00	2,176,312.00
Increase in Payments received in advance	1,394,949.00	(185,652.00)
Net Cash Flow from Operating Activities	40,113,522.00	(6,641,688.00)

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

31. Financial Risk Management

The Siaya Institute of Technology activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to 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 has in place policies to ensure that credit is only extended to customers with an established credit history.

The Siaya Institute of Technology financial risk management objectives and policies are detailed below:

(i) Credit risk

The Siaya Institute of Technology 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

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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 Siaya Institute of Technology 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
At 30 June 2024 (previous year)				
Receivables from exchange transactions	37,348,405.00	37,348,405.00	0.00	0.00
Bank balances	11,808,460.00	11,808,460.00	0.00	0.00
Total	49,156,865.00	49,156,865.00	0.00	0.00
At 30 June 2025 (current year)				
Receivables from exchange transactions	37,648,309.00	37,648,309.00	0.00	0.00
Bank balances	3,151,218.00	3,151,218.00	0.00	0.00
Total	40,799,527.00	40,799,527.00	0.00	0.00

(NB: The totals column should tie to the individual elements of credit risk disclosed in the Siaya Institute of Technology statement of financial position)

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 Siaya Institute of Technology has significant concentration of credit risk on amounts due from students.

The board of directors sets the institute'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 Siaya Institute of Technology directors, who have built an appropriate liquidity risk management framework for the management of the Siaya Institute of Technology short, medium and long-term funding and liquidity management requirements. The Siaya Institute of Technology 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.

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024 (previous year)				
Trade Payables	13,825,639.00	0.00	0.00	13,825,639.00
Employee Benefit Obligation	972,268.00	0.00	0.00	972,268.00
Total	14,797,907.00	0.00	0.00	14,797,907.00
At 30 June 2025 (current year)				
Trade Payables	19,904,845.00	0.00	0.00	19,904,845.00
Employee Benefit Obligation	4,584,704.00	0.00	0.00	4,584,704.00
Total	24,489,549.00	0.00	0.00	24,489,549.00

(iii) Market risk

The Siaya Institute of Technology has put in place an internal audit function to assist it in assessing the risk faced by the Siaya Institute of Technology 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 Siaya Institute of Technology 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 Siaya Institute of Technology 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 Siaya Institute of Technology exposure to market risks or the manner in which it manages and measures the risk.

32. Related Party Balances

Nature of related party relationships

Entities and other parties related to the Siaya Institute of Technology 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 *Siaya Institute of Technology*, holding 100% of the *Siaya Institute of Technology* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Siaya Institute of Technology, both domestic and external. Other related parties include:

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

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- v) Students
- vi) Parents/Guardians
- vii) Sponsors
- viii) Development Partners

33. Capital Commitments

Capital Commitments	2024/2025	2023/2024
	Kshs	Kshs
Authorised for	24,569,000.00	21,886,000.00
Authorised and Contracted for	(15,032,645.00)	(8,455,888.00)
Total	9,536,355.00	13,430,112.00

(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 Siaya Institute of Technology but at the end of the year had not been contracted or those already contracted for and ongoing)

34. Development Expenditure

Development Expenditure	2024/2025	2023/2024
	Kshs	Kshs
Development Expense	9,536,355.00	21,580,290.00
Total Development Expense	9,536,355.00	21,580,290.00

35. Provision for Bad Debt

Provision for Bad Debt	2024/2025	2023/2024
	Kshs	Kshs
Student Debtors	3,650,000.00	5,350,000.00
Total Provision for Bad Debt	3,650,000.00	5,350,000.00

36. Events After The Reporting Period

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

37. Ultimate And Holding Siaya Institute of Technology

The Siaya Institute of Technology is a Semi-Autonomous Government Agency under the Ministry of Education, SDTVET. Its ultimate parent is the Government of Kenya.

38. Currency

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

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)
01	Incomplete transfers from other National Government Entities	Accounting treatment of development component resulted in to the variance	Resolved	
02	Weaknesses in receivables from exchange transactions	i)The amount of kshs.1,206,000.00 outstanding for more than 3 years had been recovered ii) Ageing analysis with trainee details provided	Resolved	
03	Budgetary control and performance	This was occasioned by non-disbursement of capitation funds	Not resolved	
04	Non -compliance with law on Ethnic composition	The institution is an equal opportunity provider but has no control on transfers for PSC employees	Not resolved	
05	Lack of land ownership documents and valuation report	Valuation report obtained	Resolved	
01 (a)	Unsupported revenue from students	Accounting treatment of development component resulted in to the variance.	Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.

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



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Mr. Daniel O. Randa
Accounting Officer
Chief Principal
Date

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Appendix II: Projects Implemented by (The Siaya Institute of Technology)

Projects

Projects implemented by Siaya Institute of Technology Funded by development partners.

Project Number	Project title	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1	Proposed Administration/Library Complex. (Phased Completion)	B.O.G		108,959,922.80	No	Yes
2	Supply of Double Cabin Pickup	B.O.G		5,144,800.00	No	Yes
3	Phase 1 Perimeter Wall	B.O.G		2,289,300.00	No	Yes
4	Enterprise Resource Planning	B.O.G		7,830,000.00	No	Yes
5	Driving school half Truck	B.O.G		5,378,704.00	No	Yes
6	Building and Civil Engineering Complex	AfDB/MOE		71,439,338.00	No	Yes
7	Hospitality Annex	B.O.G		4,100,000.00	No	Yes

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Status of Projects completion

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

No.	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Proposed Administration/Library Complex. (Phased Completion)	108,959,922.80	43,115,208.00	40%	108,959,922.80	43,115,208.00	GOK/B.O.G
2	Supply of Double Cabin Pickup	5,144,800.00	3,355,440.00	65%	5,144,800.00	3,355,440.00	B.O.G
3	Phase 1 Perimeter Wall	2,289,300.00	1,439,300.00	97%	2,289,300.00	1,439,300.00	B.O.G
4	Enterprise Resource Planning	7,830,000.00	7,100,800.00	91%	7,830,000.00	7,100,800.00	B.O. G
5	Driving school half Truck	5,378,704.00	368,868.00	7%	5,378,704.00	368,868.00	B.O.G
6	Building and Civil Engineering Complex	71,439,338.00	67,901,254.00	100%	71,439,338.00	67,901,254.00	AfDB/MOE
7	Hospitality Annex	4,100,000.00	580,000.00	15%	4,100,000.00	580,000.00	B.O.G

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring: MINISTRY OF EDUCATION, State Depart. of TVET

Name of beneficiary: Siaya Institute of Technology

Confirmation of amounts received by Siaya Institute of Technology as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
EFT001106857135	14/02/2024	0.00	0.00	31,369,000.00	
80609505	20/09/2024	0.00	0.00	806,096.00	
MENT/SSS	24/09/2024	0.00	0.00	2,041,971.00	
MENT/S	25/09/2024	0.00	0.00	1,383,518.00	
MENT/SSS FT2	23/09/2024	0.00	0.00	12,077.00	
MENT/SSSSFT2	23/09/2024	0.00	0.00	120,768.00	
MENT/SSSS5/5	24/09/2024	0.00	0.00	9,299,425.00	
MENT/SSSSS 5/5	20/09/2024	0.00	0.00	6,570,509.00	
MENT/SSSSS 5/5	20/09/2024	0.00	0.00	3,809,041.00	
MENT/SSSSS5/5	23/09/2024	0.00	0.00	12,459,325.00	
Total				67,871,729.00	

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

Head of Accounts Department - Disbursing Entity

Name Sign Date

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Head of Accounts Department - Beneficiary Siaya Institute of Technology:

Name *D. O. Banda* Sign *[Signature]* Date *30/6/2025*