

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 29 MAY 2025 DAY Thursday

TABLED BY:	Hari Bays Yag M.P.
OF	Deputy Leader of Opposition Party
CLERK-AT THE-TABLE:	Halima Ahmed

THE AUDITOR-GENERAL

ON

SIALA TECHNICAL TRAINING INSTITUTE

FOR THE YEAR ENDED

30 JUNE, 2024

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
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SIALA TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2024

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

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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
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
TVET	Technical Vocational Education and Training
GOK	Government of Kenya
AfDB	African Development Bank
NG-CDF	National Government Constituency Development Fund
OSHA	Occupational Health and Safety Authority
KUCCPS	Kenya Universities and Colleges Central Placement Service.
KUDHEIHA	Kenya Union of Domestic Hotels Educational Institutions Hospitals & Allied workers
HELB	Higher Education Loans Board.

B. Definition of Key Terms

Budget	Estimates of income and expenditure for a financial year
Comparative Year	Means the prior period
Fiduciary Management	Members of Management directly entrusted with the entity's financial resources.
Jitume Laboratories	Programme providing digital connectivity, services, products, skills training and digital jobs linkages while unlocking access to jobs for Kenyans.
Mwongozo Code of Governance	Set of guidelines and principles established to govern operations, management and oversight of state corporations
Strategic Plan	Document used to communicate with the organization the organizations goals, the actions needed to achieve those goals
Strategies	Broad abstractions which are descriptive of the means for achieving strategic objectives.
Strategic Issues	These are problems or opportunities emanating from situational analysis that Siala TTI must manage'
Strategic Goals	General qualitative statements on what is expected to be achieved in the long term.
Strategic Objectives	This is what Siala TTI commits itself to accomplish to achieve strategic goals.



2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Siala Technical Training Institute was established under the TVET Act, 2013 in the year 2016.

The Institute is domiciled in Kenya and operates within the mandate of Ministry of Education which provides the general policy and strategic direction on Kenya's higher Education.

(b) Principal Activities

The core business of the Institute as provided by the TVET Act 2013 section 26 (1) (a) and (d) includes;

- i. Promotion of skills training in (TVET) through, research, science, technology and innovation in commensurate with industry and community demands.
- ii. Promotion of gender balance and equality of opportunity among students and employees.
- iii. Promotion of equalization for persons with disability, minorities and other marginalized groups.

Vision

A centre of excellence in research and skills training commensurate with industry and community demand.

Mission

To be a national skills training centre in TVET, research, science, technology and innovation to meet community demands.

Our slogan

Making excellence a habit

Core values

- i. Integrity
- ii. Transparency and Accountability
- iii. Team work
- iv. Fairness
- v. Creativity and Sustainability.



(c) Key Management Key Management

Siala Technical Training Institute day-to-day management is under the following organs:

- i. Board of Governors
- ii. Principal (Accounting Officer)
- iii. Management Team

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Asha Bakari
2.	Deputy Principal Administration	Alex Owiti
3	Deputy Principal Academics	Leah Odhiambo
4	Registrar	Jacob Oloo
5	Dean of Students	Antony Angira
6	Head of Finance	Peter Aduda

(e) Fiduciary Oversight Arrangements

Board Committees	Members	
Finance, Infrastructure and Resource Mobilization (FIRM) Committee	Elizabeth Kwalanda	Chairperson
	Damaris Mutheke	Member
	Nelson Kiprono	Member
	Dr John Osoro	Member
	Asha Bakari	Secretary
Education, Research and Training (ERT) Committee	Paul Aol	Chairperson
	Isaiah Okombo	Member
	Jackline Mumbi	Member
	Dr. John Osoro	Member
	Asha Bakari	Secretary
Audit Risk and Compliance (ARC) Committee	Jackline Mumbi	Chairperson
	Paul Aol	Member
	Isaiah Okombo	Member
	Jospine Ogalo	Secretary



Key Entity Information and Management (Continued)

(f) Siala Technical Training Institute
P.O. Box 164-40404 RONGO,
Rongo, Homa-Bay Road,
RONGO, KENYA

(g) Siala TTI Contacts

Telephone : (254) 706 633 334
E-mail: sialainstitute @gmail.com
Website: www.sialatech.ac.ke

(h) Siala TTI Bankers

Kenya Commercial Bank Ltd.
Rongo Branch,
P.O. Box 266-40404
RONGO, KENYA.

(i) Independent Auditors

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

(j) Principal Legal Adviser

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



3. THE BOARD OF GOVERNORS



George Philip Ogutu
Chairman

Date of Birth: 11th December 1963

George holds a BA degree from the University of Nairobi.. He has a wealth of experience in strategic leadership and governance..

He has held various Public Administrative positions also participated in various activities involving change development with NGOs and CBOs.



Damaris Mutheke
Member

Date of Birth: 16th October 1972

Damaris holds a BA and Diploma in Social work Community development.

She has been involved in various activities of children welfare and community developments.



CPA Elizabeth Kwalanda
Member

Date of Birth: 2nd November 1976

Elizabeth is a holder of BCom finance option and CPAK . She has over 10 years' working experience in the Accounting Sector .



Nelson Kiprono
Member

Date of Birth: 24th August 1991

Nelson holds a BSc in Information Technology. He also holds a Cisco Certification on data information



Isaiah O Kayallo
Member

Date of Birth: 20th February 1970

Mr Isaiah is a holder of BSc Survey and MBA Strategic management.

Isaiah is a senior surveyor with over 20 years experience in Surveying and Digital Mapping

..



Paul O AOL
Member

Date of Birth: 20th December 1985.

Paul holds a Bachelor of Laws Paul has a wealth of experience of practicing as Legal assistant ,Nairobi city count and Office of the Legal Advisor Secretariat Nairobi.

He has also served as the Legal affairs secretary for various organizations.



Jackline mumbi
Member

Date of Birth: 27th August 1983

Jackline holds a BA and MSc marketing. Jackline has a wealth of experience of over 20 years in marketing sector.



Dr John Osoro
Regional Director TVET
Date of birth



Asha Bakari
Principal/Secretary to Board
Date of birth: 10 June 1972
Asha is a holder of M.Ed. and BSc
She has held several administrative positions
and has over 30 years' experience in the TVET
sector.



4. MANAGEMENT TEAM



Ms. Asha Bakari
M.Ed
Principal



Alex Owiti
MA (Information Technology)
Deputy Principal (Administration)



Leah Gor
BSc.
Deputy Principal(Academics)



Jacob Oloo
Higher National Diploma
Registrar.



Peter Aduda
CPAK
Finance Officer



Antony Angira
B.E.D Technology
Dean of Trainees



5. CHAIRMAN'S STATEMENT



On behalf of Siala Technical Training Institute, I'm pleased to present the Annual Report and Financial Statements for the year ended 30th June 2024. These statements are prepared in conformity with the International Public Sector Accounting Standards (IPSAS) and International Accounting Standards (IASs).

Further, the statements incorporate the requirements of Article 81 of the Public Finance Management Act, 2012 and the National treasury guidelines with regards to adoption of IPSAS.

Siala Technical Training Institute is committed to its mission of offering quality training within an environment of prudent financial management.

The Institute has kept on course the implementation of 2022-2026 Strategic plan. However in view of the existing economic realities , new developments in the country and within the Institute ,the Board has reviewed the Strategic Plan taking into consideration of new developments and the current GoK strategic Plan.

Moreover it will enable prioritization of projects and activities that are central to growth of the Institute and the attainment of vision 2030 and Bottom up Economic Agenda.

This is the eighth year since Siala TTI was established.. During the financial year 2023/2024 the Institute saw an increase in student enrolment. This was attributed to government fee capitation and scholarship ,the Institute also got certified with ISO 9001:2015 certification .

We are confident that, with prudent management of available resources and an increase in Government Development Grants and through our engagement with other partners (NG-CDF and County Government), the Institute will develop into one of the modern TVET Institutions in the region.

I wish to thank the Government for its financial support so far that has made it possible to implement the Institution's mandate and programs, more so the upcoming Hospitality Complex.. However, I would like to appeal for more funding for capital development. This will enable the Institution build new infrastructure (Library and Hostel) to support the growing Trainees population and realize its vision to become a National Polytechnic.

Finally, I would also wish to thank the Board of Governors, Staff, NG-CDF Rongo, Parents, Guardians and Trainees for their continued support and dedication, as we together strive to achieve greater heights of excellence.

Thank you.

Mr. George Philip Ogutu
Chairman, Board of Governors ,Siala TTI



6. REPORT OF THE PRINCIPAL



Presented here is the annual report and financial statements of Siala Technical Training Institute for the year ended 30th June 2024 as required by the Public Finance Management Act, 2012.

Siala TTI's performance during the year under review was impressive despite the financial constraints faced during the year. The government capitation and scholarship still remained as the Institute's main source of income at 53.2% of tuition fee charged, followed by Parents fee obligation.

The Government recurrent expenditure grants received by the Institute was Ksh.41,398,075 (Capitation grants), While the Institute generated Ksh.86,764,121 from college fee and other income, which was used to finance operations of the Institute and procurement of capital projects.

The Institute faces financial challenges in view of expansion in trainee population (NYS Sponsored Trainees included) and the personnel to manage trainees.

The Institute has continued with its core mandate of disseminating knowledge and skills through training, research and innovation. The current trainee population is 2,200 and is expected to increase to 2700 by the end of financial year 2024/2025. Staff population stood at One Hundred and Forty Four (144) at the close of financial year 2023/2024 and is expected to increase with the increase in trainees enrolment in the next financial year.

The expenditure control strategies implemented by the Institute has resulted to savings in expenditure on non-priority activities and realization of surplus funds which were then reallocated to development of fixed assets (Fabrication of makeshift Hostels for NYS sponsored trainees and building of Kitchen). These savings shall also be mobilized in the coming financial year to finance Development projects and any other expenditures

Development partner's projects

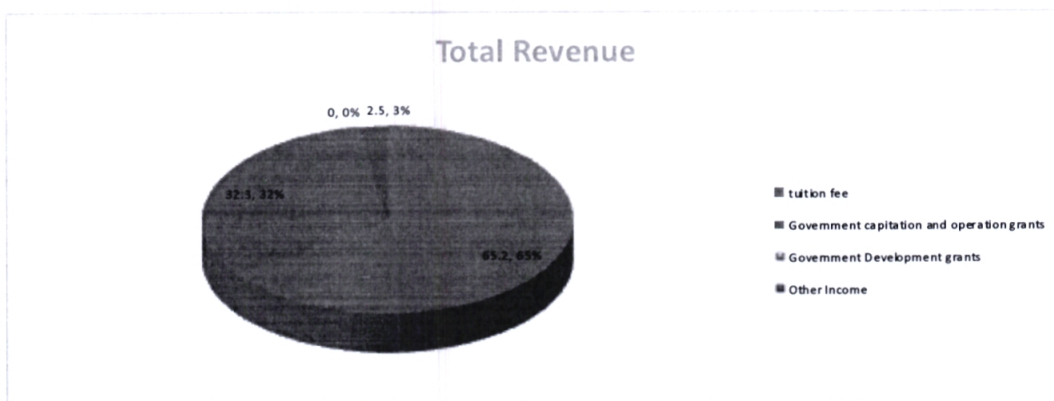
This financial year, the Institute received a boost when GOK|AfDB Phase III project Hospitality Complex was started. This is expected to ease the never ending need for trainee training space.



Financial performance summary.

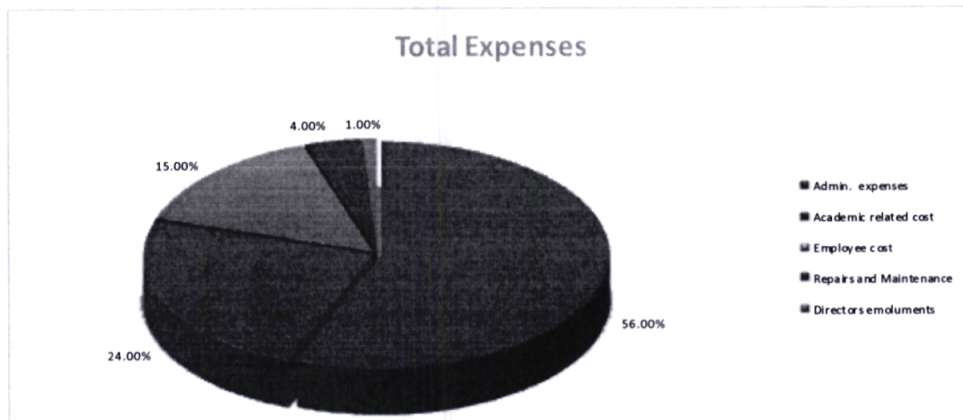
Revenue

During the year 2023/2024, the Institute received a total of Ksh.41,398,075 as Capitation grants, Ksh.83,598,561 as Tuition fee from parents, and Ksh.3,165,560 as other income.



Expenses

The Institute incurred Ksh.118,109,960 in Recurrent expenditure for the financial year 2023/2024. The biggest expenditure was shared between Academic Expenses and Admin. Cost & General expenses at 56% and 24% respectively followed by Employee Cost. at 15%, Directors Emoluments at 4%, Repairs and Maintenance at 1%.

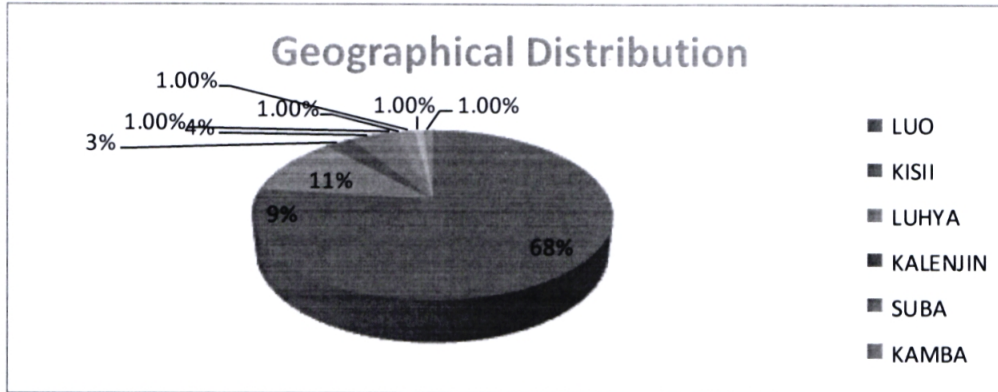


Staff Members

Staff population was One hundred and forty four (144) at the close of Financial year 2023/2024 and is expected to rise for both Academic and Administrative in the next financial year. Gender Distribution; Male 78 and Female 66.



Geographical Distribution; Luo 100, Kisii 13, Luhya 16, Kalenjin 4, Suba 6, Kamba 1, Kuria 1, Teso 1, Meru 1 and Nubian 1



Staff Gender Distribution



Conclusion

To address the revenue shortfall, the Institution has put measures in place to improve revenue realization by insisting on HELB application to be mandatory also the development and implementation of finance and debt management policy. The Institution has also put in place measures to improve resource utilization.. This is by ensuring efficiency and economic probity in order to get value out of resources available

On behalf of Siala TTI management and staff, I wish to take this opportunity to thank the Government, our Development partners and all Stakeholders for their continued support.

Finally, I would like to express my sincere gratitude to the Institute Board of Governors for providing policy and strategic guidance on the entire Institute staff and trainees who worked tirelessly to ensure smooth and successful operations of the institute.

Thank you.

Ms. Asha Bakari
 Principal Siala TTI



7. GOK PERFORMANCE REPORT

SIALA TTI'S PERFORMANCE FOR FY 2023/2024

Siala TTI has six (5) strategic pillars and objectives within its Strategic Plan for the FY 2022- 2026. These strategic pillars are as follows:

The Strategic Objectives / Pillars

- 1.To produce competent and skilled manpower for the industry
- 2,To increase access to training and increase trainee enrolment
- 3.To enhance Institutional Corporate Governance and Management based on principles of best practice
- 4.To improve institutional infrastructure and facility
- 5.To diversify sources of income

Performance Contract

Siala TTI had a performance contract agreement with the Government of Kenya as a demonstration of its commitment to;

- i.Ensure that public services were delivered in accordance with the constitution.
- ii.Ensure modernization of public service by introduction of modern technologies and innovative service delivery.
- iii.Ensure that public officers demonstrated professionalism, transparency and accountability in performing their duties and that they showed courtesy, integrity and neutrality in provision of services.

Statement of Strategic Intent by the Board of Governors

In carrying out its duties, the Board intended to put all their efforts towards contributing effectively and efficiently to the achievement of the national development agenda as espoused in the Kenya Vision 2030 MTPIV, keeping in mind the specific priorities of Siala Technical Training Institute.

Bearing in mind the imperative of inclusivity, the Board implemented the following Strategic Intentions during the Financial Year:

- 1.Produced qualified and holistic graduates for local and global markets
2. Increased enrolment of trainees
3. Improved infrastructure to accommodate more trainees
4. Reengineer processes for better service delivery.
5. Establish partnerships with institutions and industry.

Reporting Requirements

The Board submitted quarterly reports within 15 days after the end of every quarter, annual performance reports 30 days after the end of financial year.

Also being sent were discussed and approved reports in the prescribed format to the Ministry of Education and other specialized agencies for the purposes of monitoring progress and performance.

1. Financial Stewardship & Discipline

a).Absorption of Allocated Funds

In the reporting period, Siala TTI absorbed and utilized Ksh.118,109,960 of its approved budget for both recurrent and development grants for project

b). Appropriation in Aid (A-in-A)

During the financial year, Siala TTI raised a total of Kshs 128,162,196 against a target of ksh 141,547,500

c). Pending Bills

Siala TTI had no pending bills as at 30 June 2024.

2. Service Delivery

a).Implementation of Citizens' Service Delivery Charter

Siala TTI ensured the effective service delivery to all stakeholders through;



- i. Displaying the Citizens' Service Delivery Charter prominently at the gate of the Institute in both English and Kiswahili three feet in width and four feet in height, (3'x4'), with clearly visible font size of the contents.
- ii. Customizing the charter to unique needs and convenient access of the customers by translating Citizens' Service Delivery Charter to audio in both English and Kiswahili and uploading to the institution's website.
- iii. Sensitizing all new employees and trainees on the Citizens' Service Delivery Charter and cascading to all departments of the institutes' by customizing the Citizens' Service Delivery Charter to the departmental functions
- iv. Ensuring conformity with the commitments and standards in the Citizens' Service Delivery Charter by establishing compliance mechanism and maintaining records on service delivery

b). Digitalization of Government Services

SialaTTI undertook the following to accelerate the adoption of ICT solutions for ease of access, fast, cost effective, convenient and improve efficiency and effectiveness and enhance competitiveness in service delivery.

- i. Establishing and Operationalizing Digitalization Committee within the institute.
- ii. Conducting a baseline survey to determine the institutional level of digitalization using the template provided by the State Department of ICT and the Digital Economy.
- iii. Developing workplace digitalization and automation strategy incorporating measures that will enable people with disabilities to access online services.
- iv. Adopting usage of official emails, and setting up appropriate infrastructure, (LAN, Connectivity, Data Centers, Backups) to facilitate the digitalization of Business processes.

c)Resolution of Public Complaints

Siala TTI ensured prompt resolution of public complaints referred directly or channeled through other complaint reporting channels by:

- i. Resolving all complaints received
- ii. Providing access to information —reactive disclosure
- iii. Creating awareness on the complaints handling mechanisms

3. Core Mandate

Vision 2030 flagship.

a)Driving School Enhanced

During the FY2023/2024 Siala TTI enhanced the driving school by acquiring a driving school car.

b).Science, Technology and Innovation Mainstreaming

During the reporting period, Siala TTI committed to implement Science, Technology and Innovation in order to Increase productivity, enhance efficiency levels, and create comparative advantage and competitiveness of the institution.

c).Hygiene Practices Sustained

In the FY 2022/2023 Siala TTI rolled out hygiene practice campaigns. In the FY 2023/2024 the Siala TTI committed to sustain the hygiene practice campaigns aimed at raising awareness about health and hygiene practices and mitigating against the spread and effects of water, sanitation and hygiene-related diseases.



d) Examination Performance Improved

In the FY2023/2024, Siala TTI undertook the following to improve on external examination performance of the institute by 1.01% from 65.18% to 66.19%:

- i. Adhered to the training procedures
- ii. Availed adequate training materials

e). New Courses Mounted

In the FY 2023/2024 Siala TTI committed to introduce new courses by:

- i. Acquiring the syllabi/occupation standards.
- ii. Advertising the courses on the online platforms and including them in the brochures
- iii. Application for accreditation or the courses.

f). Linkages with Industries Established

In the FY 2023/2024, Siala TTI committed to sign MoUs with local workshops in the Jua Kali sector for industrial attachment of trainees

g). Office of Career Services (OCS) Enhanced

In the FY 2023/2024 Siala TTI committed to enhance the OCS Office to: i) Assist, fast track and facilitate students in acquiring information, knowledge and competencies that enhance individual career development academic success and employability; and ii) To develop relationships with employers for the purpose of exploring the possibilities of internships and professional employment opportunities for trainees and graduates .

h). Enrolment in Science, Technology, Engineering and Mathematics (STEM) Increased

In FY 2023/2024, Siala TTI committed to increase enrolment in STEM courses by 1063 trainees from 2133 to 3196 trainees by doing the following;

- i. Inviting Fifteen (10) High school and/or Primary school heads to sensitize them on STEM training programmes in the institute.

i). Enrolment of Females in Science, Technology, Engineering and Mathematics (STEM) Increased

In the FY 2023/2024, Siala TTI committed to increase enrolment of female in STEM courses by 404 trainees from 692 to 1096 female trainees through;

- i. Advertising in print media and website to encourage female trainees to apply for the courses available in the Institute.
- ii. Undertaking an outreach to four(4) girls school to sensitize the students on STEM training programs offered in the institute.

j). Gross Enrolment Increased

In the FY 2023/2024, Siala TTI committed to increase enrolment of trainees by 465 from 2035 to 2500 by doing the following:

- i. Advertising the Institute's programs in two(2) local radio stations and institution website.
- ii. Updating the Institution's capacity with Kenya Universities and Colleges Central Placement Services (KUCCPS)
- iii. Sensitizing the Community on the institute's training programs during the chiefs Baraza's quarterly.

k). Project Completion Rate

In the FY 2023/2024, Siala TTI committed to complete 4 projects within the project implementation period.



l).Tracer Studies Carried Out

In the FY 2023/2024 Siala TTI Committed to carry out a tracer study to track its graduates to find out whether or how they use the training, and how their lives progress over time, as well as create a pull of alumni for networking of the trainees .

m).Internal Quality Assurance Audits Conducted

In the FY 2023/2024, Siala TTI conducted two (2) Internal Quality Assurance audits aimed at improving and maintaining quality and efficiency in service delivery and monitor processes, procedures and achievements..

n).e-Library Established

In the FY 2023/2024 Siala TTI committed to establish a functional e-library to enable unlimited access by trainees to multiple resources and increase the number of trainees accessing library books limited by physical space.

o).Implementation of Presidential Directives

In the FY 2023/2024, Siala TTI committed to implement all the relevant Presidential Directives, circulars and executive orders (100%).

p)Productivity Mainstreaming

In the FY 2023/2024 Siala TTI entrenched a culture of productivity by implementing and adopting strategies and interventions to Measure, Improve and Manage productivity. That involved productivity Awareness Creation, Measurement and Improvement of efficiency and effectiveness of Labour and Systems in delivery of the Institute's Services by undertaking the following:

- i)Established and operationalized a Productivity Mainstreaming Committee; Trained Productivity Champions and Sensitized all staff on productivity.

4 .a)Access to Government Procurement Opportunities

During FY 2023/2024, Siala TTI committed to allocate and award at least 30% (Kshs. 21,975,000.00) of the total value of the procurement budget (Kshs.73,250,000.00) for goods and services as provided in the annual procurement plan to youth, women and PWDs. At least 2% (Kshs.439,500.00) of the 30% of the budget for procurement of goods and services will be reserved for PWDs.

In addition, the Board also commits to:

- i)Build the capacity of the three target groups through training on government procurement procedures, requirements for accessing government procurement opportunities and on the specific opportunities available in the institute.
- ii)Pre-qualify the registered groups as (an affirmative action) and submit to PPRA a summary of the procurement opportunities allocated to the target groups in the format provided in the PPRA website. Submit a summary of the procurement opportunities allocated to PWDs to NCPWD. via dmd@ncpwd.go.ke.

b)Promotion of Local Content in Procurement

During FY 2023/2024, Siala TTI allocated and awarded at least 40% (Kshs. 29,300,000.00) of the total value of the procurement budget (Kshs.73,250,000.00) for goods and services produced locally as provided in the annual procurement plan. This is aimed at promoting consumption of locally produced goods and services that will contribute to among other things, employment creation and growth of local industries. In addition, Siala TTI prepared and submitted quarterly progress reports on the implementation of this indicator to the Ministry of Investment, Trade and Industry in the prescribed format



5 Cross – Cutting

a).Asset Management

During the FY 2023/2024, Siala TTI ensured adequate asset management structures and systems are in place and prudent management of public assets for optimum economic and social benefits to the public. In addition, Siala TTI also submitted quarterly and annual reports to The National Treasury & Economic Planning using the prescribed format.

b).Road Safety Mainstreaming

In the FY 2023/2024 Siala TTI committed to establish a Road Safety Committees (RSCs) and sensitize the Road Safety Committee members, relevant stakeholders, Board members & staff on road safety. The Board was to actively engage in developing projects and executing activities under level II that contributed to the prevention and management of Road Traffic injuries and fatalities in Kenya .

c).Corruption Prevention

Siala TTI committed to combat and prevent bribery, corruption and unethical practices and promote standards and best practices in governance, during the contract period

d.)Youth Internships/ Industrial Attachments/ Apprenticeships

Siala TTI committed to offer Internships, Industrial Attachment placements and teaching practice to Twenty five (25) youths.

e)National Values and Principles of Governance

The Board committed to implement the following during the contract period



8. CORPORATE GOVERNANCE STATEMENT

Introduction

Siala Technical Training Institute is governed by the Board of Governors. The TVET Act 2013, gives the Board of Governors all the necessary powers for the proper performance of its functions under the Act and in particular, without prejudice to the generality of the forgoing.

The Board of governors shall have powers to:

- i. Manage, supervise, and administer the assets of the Institute in such a manner as best promotes the purpose for which the Institute is established.
- ii. Receive any grants, donations or endowments on behalf of the Institution and make legitimate disbursements.
- iii. Approve the budgets, make policies and open bank accounts for the funds of the Institute.

Corporate Governance Principles.

It is our view that *governance* is not just a matter for the Board of Governors but rather, a good governance culture must be percolated through the Institute system.

The current socio-economic, business and political environment in which the Institution operates, underscore the need for continued high standards of corporate governance and accountability.

This is the eighth year of the implementation of Mwongozo, the code of governance for state corporations. This code was issued by his Excellency, The President, Hon. Uhuru Kenyatta, CGH, in January 2015.

The Institute has strived to adhere to the corporate governance principles as contained in the Mwongozo Code. The Institute is happy to report that a number of activities have been undertaken geared towards compliance with Mwongozo Code.

Size and composition of the Board of Governors

The Board of Governors consists of Eight (8) board members (and the Principal as their Secretary), who poses extensive experience in a variety of disciplines all of which are applied in the overall management of the Institute. The Board of Governors has the right balance of skills and experience appropriate for the requirements of the Institute. All members participate in the decision making and the Board operated effectively during the year and continues to do so. (The board has Four Organs; Education, Training and Research

Committee and Finance and Development Committee, Audit and Risk Committee and Full Board.)

Board Remuneration

The Board members do not receive a salary. Instead they are paid a taxable sitting allowance whenever they attend meetings of the Board. The Chairman of the board is also paid a monthly honorarium. In the FY2023/2024 the institute spent ksh.4,075,900 on Board members expenses compared to the budget of ksh.5,318,000.

Board committees and Responsibilities

The Board through its committees ensured effective, accurate, timely and transparent disclosure of information regarding Siala TTI operations and performance in line with the Constitution, various Acts, regulations and guidelines.

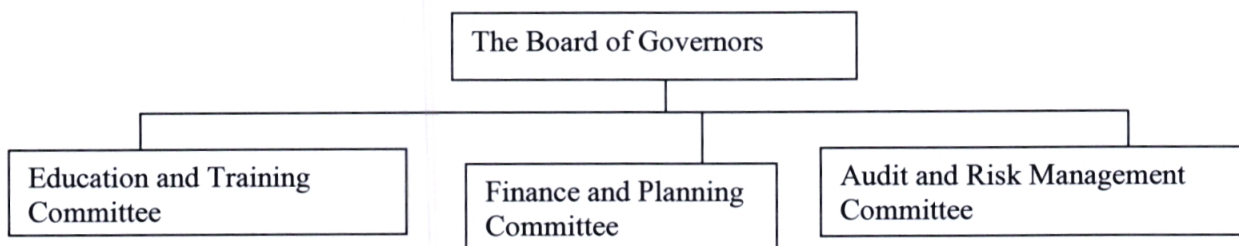
This is in addition to ensuring that the operations of the institute adhered to within the existing laws and International best practice.



During the period under review, the full Board held meetings as follows:

No.	Name	20 ^h July 2023	25 ^t Sept 2023	23 th Oct 2024	22 nd Jan 2023	20 th Aprril 2024
1	George Ogutu	✓	✓	✓	✓	✓
2	Elizabeth Ominde	✓	✓	✓	✓	✓
3	Damaris Mutheke	✓	✓	✓	✓	✓
4	Paul Aol	✓	✓	✓	✓	✓
5	Jackline Mumbi	✓	✓	✓	✓	✓
6	John Osoro	X	X	✓	✓	✓
7	Nelson Kiprono	✓	✓	✓	✓	✓
8	Isaiah Okombo	✓	✓	✓	✓	✓
9	Asha Bakari	✓	✓	✓	✓	✓

The following are the committees of the Board of Governors.



1. Education and Training Committee

This committee has the following terms of reference:

- i) Deals with urgent and critical issues on behalf of the board as need arises and submit to the full board for ratification.
- ii) Receive, consider, discuss and recommend for approval regulations governing students and staff conduct and discipline and giving oversight on training research and innovation.
- iii) Receive and consider reports from the management and make recommendations to the board on academic matters.
- iv) Transact any other business as directed by the board.

During the period under review, the committee held meetings as follows:

No.	Name	15 th July 2023	18 th October 2023	17 rd Jan 2024	16 th April 2024
1	Paul Aol	✓	✓	✓	✓
2	Jackline Mumbi	✓	✓	✓	✓
3	John Osoro	x	x	✓	✓
4	Isaiah Okombo	✓	✓	✓	✓
5	Asha Bakari	✓	✓	✓	✓

2. Finance, Infrastructure and Resource mobilization Committee

This committee has the following terms of reference:

- i. Receive, consider and recommend for board approval of annual estimates of revenue and expenditure and overseeing compliance of budgetary allocations as approved within its annual budget.



- ii. Receive and consider proposal on acquisition of fixed asset and recommend to the board for appropriate action.
- iii. Receive, consider and submit for board approval the annual procurement plan of the institute.
- iv. Consider and recommend for approval terms and conditions of service, criteria of recruitment, appointment and promotion of BOG staff.
- v. Conduct interviews for employment, appointment and promote members of the non-trainers staff.
- vi. Transact any other business as directed by the board

During the period under review, the committee held meetings as follows:

No.	Name	12 st July 2023	13 th October 2023	12 th Jan 2024	11 th April 2024
1	Elizabeth Ominde	✓	✓	✓	✓
2	Damaris Mutheke	✓	✓	✓	✓
3	John Osoro	x	X	✓	✓
4	Nelson Kiprono	✓	✓	✓	✓
5	Asha Bakari	✓	✓	✓	✓

3. Audit and Risk Management Committee

This committee has the following terms of reference:

- i. Receive, review and recommend internal control mechanisms towards improving efficiency, effectiveness, transparency and accountability.
- ii. Receive and discuss internal audit reports and make recommendations to the board.
- iii. Review management procedures and make proposals to the board for mainstreaming of Risk Management, controls and governance.
- iv. Review and submit proposal to the board on improvement of efficiency and effectiveness of management system, including high risk areas such as public finance, human resource, academic programs and general internal controls.
- v. Review and submit a report to the board on compliance with policies, laws, regulations, procedures, plans and ethics.
- vi. Transact any other business as directed by the board.

During the period under review, the committee held meetings as follows:

No.	Name	16 th July 2023	19 th October 2023	18 rd Jan 2024	17 th April 2024
1	Paul Aol	✓	✓	✓	✓
2	Jackline Mumbi	✓	✓	✓	✓
3	Isaiah Okombo	✓	✓	✓	✓
4	Josphine Ogalo	✓	✓	✓	✓

Internal Controls

Internal Audit

The internal audit function is strategically independent of management and reports to the Board through the ARC Committee. This function provides an assurance that the institutions financial and operational risks are being managed appropriately and that the internal control framework is operating effectively.

Currently, Siala TTI has not employed an internal auditor and has used the services of the internal auditor from Mawego National Polytechnic who has been in office for this year under review.



Code of conduct and ethics

Ethical behaviour is derived from the values, beliefs, attitudes and knowledge that guide Board members, management and employees in all circumstances.

Siala TTI core values of professionalism, integrity, teamwork and safety culture are embodied within the ethical standard which are guided by Chapter six of the Constitution, the Leadership and Integrity Act, 2012, Anticorruption and Economic Act 2003 and the Public Officers Ethics Act 2003 among other legislations.

We are therefore mandated to exhibit high standards of Leadership and Integrity envisaged in our Constitution not only for the sake of compliance but also as part of our mandate as responsible citizens.

Going concern

The Institute expects to operate as a going concern into the foreseeable future. This assumption is based on the accumulated surplus recorded of **Ksh.29,003,467** in FY 2023/2024 as compared to **Ksh.28,107,290** for the FY2022/2023. The positive current ratio of **12.34** for FY2023/2024 as compared to **16.76** for FY 2022/2023

The quick ratio was **12.16** for FY2023/2024 against **16.18** for FY2022/2022. The Institute focuses on investing significantly in trainees population and infrastructure and is not expected to curtail in its operations in the coming year

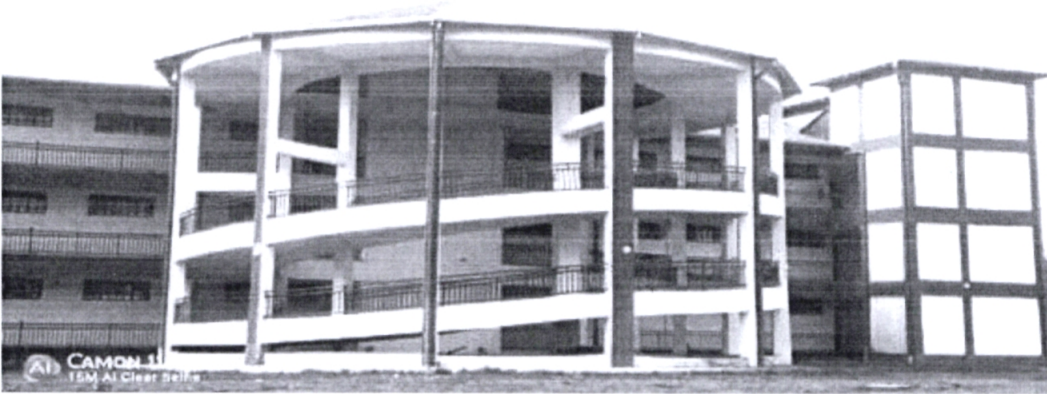


9. MANAGEMENT DISCUSSION AND ANALYSIS



4a

The Civil Engineering Complex sponsored by AfDB through the Government of Kenya. (top and bottom Tuition block and workshops) completed and handed over
Block4a Rear side

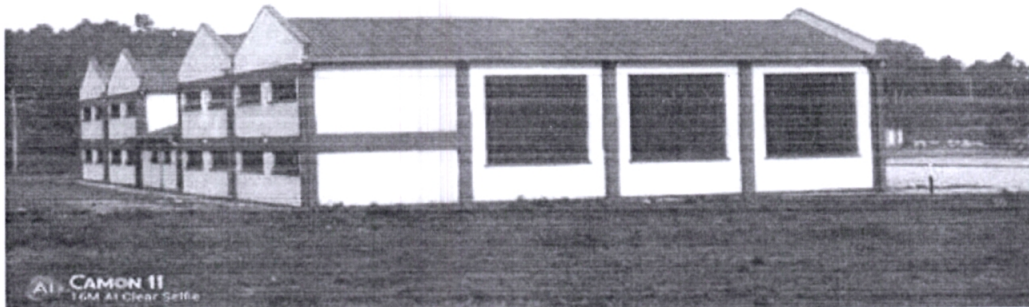


4A



Block 4a stairs

XXV



Block 4 B
Institute view from the Gate(bottom)



Top NG-CDF Rongo Sponsored Dining Hall



The Electrical Workshop above Funded by GOK through the Ministry of Education now completed and septic tank below(A)



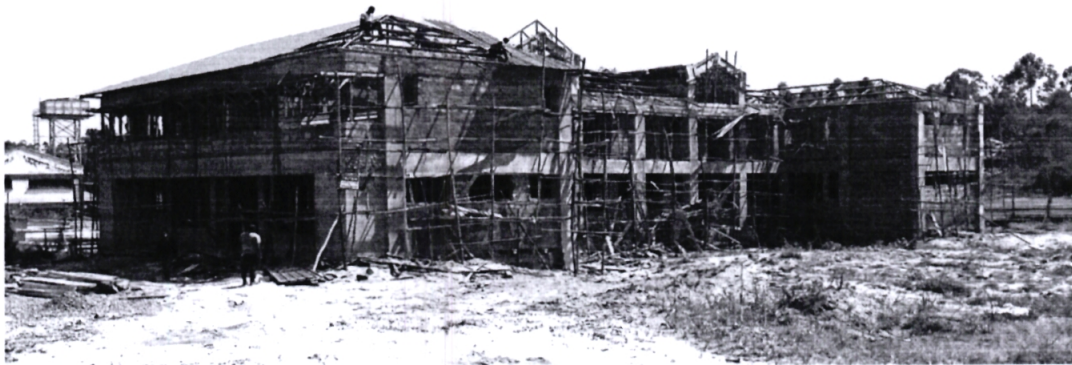
A.



Block 1A Mechanical workshop Complex given a facelift (Above)



.Tuition block under construction(above)



The Hospitality Complex funded by AfDB nearing completion (above)



Siala TTI Trainees attending to their practical classes and participation on ASK show which is the Institutes' Core Mandate. Below (a,b and c)

A.



B



C





E



The Trainees attending to their technical lessons above(d and e)



10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

ECONOMIC SUSTAINABILITY

Siala TTI principal activity of skills training is an essential service that impacts on people's lives. It's what guides us to deliver our strategy, putting the customer/ Citizen first, delivering relevant services and improving operational excellence.

This implies that we must respect the special status of our position and be financially sustainable to continue providing services overtime to our customers and the community.

Financial sustainability is the ability to sustain enough cash flows to maintain our core operational capacity, implement strategic plan and invest in diversifying our operations as we continue to train and create value for the stakeholders.

Siala TTI presents its financial condition using among other financial measures, financial ratios and operating cash flow.

Siala TTI relies on the society to allow it operate successfully. During the year under review Siala TTI continued to make significant contributions to the society by carrying out its operations responsibly and implementing corporate social programs.

The ongoing process of digital transformation (ERP Installation) to the Institution shall involve integration of digital technology into all areas of our operations.

This shall lead to fundamental changes on how Siala TTI operates and how ICT delivers value to all stake holders.

The stake holders have also benefited as our Jitume program ICT lab which has been used to train computer literacy for free to school leavers from local community around the Institute.

Environmental issues

Social Sustainability

Corporate Social Responsibility Statement

Siala TTI is a responsible partner and continues to upscale its social programs and mainly focusing on the local community from around the Institute.

The programs focused majorly on Training, Environment and Water & Sanitation which complement the Sustainable Development Goals.(SDGs)

Education/Training

The core objective of Siala TTI training program is to enable trainees realize their dream and life goals. This is achieved through training, while at the same time enabling them to become major contributors to the realization of the country's social and economic goals.

Water and Sanitation

Siala TTI managed to address water and sanitation challenges faced by the local community around the institute. This was achieved through provision of clean accessible rain water as a major Corporate Social Responsibility activity.

Unsafe drinking water causes water borne diseases and other health related problems besides affecting the socio-economic well-being of the local community.

To alleviate water related problems, the Institute installed a water collection point to the locals around to make clean water accessible.

This was achieved by connecting water pipe from the Institute water storage tank to water fetching point situated near the Institute Green house.



Health Care

Health care has remained a crucial part of the country and community. The post COVID preparations as laid down by the Ministry of Health brought much sanity and awareness to the Institute.

This was achieved by constructing extra hand washing points and installing automatic sanitizer dispensers.

Some of our fabricated hand washing equipment were donated to nearby primary school as part of corporate social responsibility.

Environmental conservation and awareness

The Institute recognizes the need to enhance and protect the environment.

Siala TTI recognizes the fact that environmental degradation is a leading threat to sustainable development and is therefore committed to the protection, improvement and restoration of the environment through the promotion of sustainable use of natural resources.

To enhance sustainability of the ecosystem, Siala TTI in collaboration with Ministry of Interior and National Coordinatio Rongo Sub County, Kenya Forest Service and the surrounding community teamed up and participated in tree planting.

As result, over 1,200 trees both indigenous and commercial have been planted.

As part of ecosystem restoration, more than 100 indigenous trees were planted along river Misadhi to help in improving the vegetation cover.

Energy efficiency refers to using less energy to provide the same level of service.

To achieve this, Siala TTI has put in place measures which comprises energy saving devices, rational saving methods including switching off devices when not in use, changing the lighting system to LED lighting tubes and using alternative sources like solar. In an effort to manage energy consumption, Siala TTI has installed solar panels which are now used to power the security lights of the institute.

This is expected to significantly reduce electricity related expenses hence result in saving for the Institution.

Waste Management

Siala TTI has an Incinerator/ Burning chamber which has helped in waste management (disposal of garbage). The incinerator has helped to solve garbage problem which had existed for some time.

Employee welfare

Human resource is the most critical assets of an organization .

Siala TTI is an equal opportunity employer and is committed to attracting, recruiting and retaining skilled employees to fulfil the Institute goal and objectives.

Siala TTI continues to ensure that all employees continue to operate in a conducive work environment for maximum service delivery.

The Institute developed and approved human resource policy, this will promote equal opportunity in employment at all levels.

Casual workers as a matter of policy, are sourced from the local community around the Institution.

Within the financial year several employees attended capacity building trainings both internal and external which not only helped to improve their skills but also made them more productive and also have an impact on their personal lives.

The return on this investment has been seen in both staff performance and motivation.

For the financial year ended 30th June 2024, staff statistics was 144. This number has helped the Institute to sustain current operations. The staff turnover was at 2% due to the various retention strategies that the Institute has put in place.



The aggregated staff statistics reflect the number of male employees at 78(54%) and female employees at 66 which is 46% of total employees. A total of 3 (2%) out of 144 employees are persons living with disability.

The Institute is compliance to the constitutional requirement of minority gender employees being at least 30% of the staff establishment.

The Institute comprises a great diversity of ethnicity and religious orientation.

During the year under review, Siala TTI engaged four (4) youths for internship program.

Developing our skills enhances productivity and is a motivational aspect in terms of career growth. Skills development programs are aimed at target groups as well as individual employees.

These are based on needs assessment and gap analysis as skills development has a direct correlation to performance.

Occupational safety and health

Siala TTI is committed to the culture and safety of protecting the staff and the society. We have embarked on an integrated program which places primary responsibility of safety on the individual. Our approach is to strengthen our internal controls and mitigate hazards that cause harm.

To enhance safe working environment, Siala TTI has put in place a robust organizational structure at all work places which promote general safety culture.

The Institution has safety committee which ensures that, safety culture is enhanced and comply with legal and regulatory requirements. The safety team is competent in matters of occupational safety by OSHA 2007 and the committee rules. The committee is mandated to coordinate, implement, monitor and evaluate the occupational health safety and welfare of employees.

Siala TTI implemented a robust fire safety program with a fire risk assessment (fire drill) conducted during the year and the implementation of the recommendations is on going..

Siala TTI has performance management appraisal guidelines that guide the performance of its employees, their productivity and output.

The process entails annual performance assessment which creates and communicates clear direction of the Institute to employees by defining the performance requirements, standards and expectations that are aligned to the Institute strategic goals.

This appraisal promotes continuous improvement and learning through the process of self-assessment and reflection. To demonstrate the Institute's appreciation of employees or committees with exceptional contribution/ work to aid operations, the management always reward by giving honoraria which are fair, equitable and performance driven.

Staff relation at Siala TTI is found on the principles of freedom of association, workplace democracy and collective bargaining.

The Institute is committed to upholding these fundamental principles and rights at work including, but not limited to, freedom of association the rights to organize and collectively bargain for terms and conditions of service.

As a result of this KUDHEIHA workers union has registered non-training staff and nominated the focal persons amongst them.

The Institute has structures for succession planning in place. This is aimed at increasing employee motivation for equal opportunity whenever vacancies arise since recruitment starts with promotions from within. The succession planning strategy and programs has also saved costs associated with recruiting and hiring from outside .e.g Electrical Technician and Registry Clerk II.

As a result the learning curve necessary to get new employees up-to-speed on Institute procedures is shorter, resulting in quick transition.



The Institute acknowledges that it cannot only focus on job related skills but also has to look at the employee as a whole person. When an employee is functioning optimally, the Institute can expect them to achieve full productivity.

Therefore various support programs covering personal health are being developed.

Market place practises (Supply value chain)

The main objective for the supply function is to improve process, increase wealth creation and delivery of value to stakeholders for sustained economic development. Supply chain plays a pivotal role in timely procurement of quality goods, works and services.

The procurement process is guided by the Public Procurement and Asset Disposal Act 2015, relevant regulations, Institutional procedures and best industry practises.

Procurement for goods, works and services for the Institute is anchored on the legal framework and best practice. The Institute's procurement needs are compliant to all regulatory requirements necessary for sustainable growth.

Siala TTI recognizes procurement opportunities emerging from its operating activities as great economic empowerment avenue for suppliers and contractors.

Siala TTI ensures local content (locally obtained products and services) requirements are embedded in the contracts. We continue to create an enabling environment for local enterprises to play an active role in the Institute's supply chain to strengthen the local supply base.

Youths, women and persons living with disability are accorded a special portion of the procurement budget.

These vulnerable groups, as defined by the constitution of Kenya and covered in the procurement law, are entitled to procurement related business opportunities.

The operations realize the cogs of the economy and are kept in motion by the participation of every citizen.

Efforts are made to minimize the chances of giving many orders/contracts to one service provider at the same time.

This will ensure that more companies remain active and jobs are created and saved. The special groups were awarded ksh.21,975,000 worth of business in the period under review.

Compliance

The supply chain function is guided by the Public Procurement and Asset Disposal Act 2015 and relevant regulations as established. Siala TTI continue to process all procurement in compliance to all these statutory requirements.

During the year, SialaTTI submitted all statutory reports as required and this demonstrates commitment to compliance requirements that enhances transparency, fairness and value for money for sustainable growth.

Procurement is anchored on the legal framework and best practises where the acquisition of goods, works and services embraces Total Cost of Ownership (TCO) approach. Assets and other procurements are compliant to safety, health and environmental requirements for sustainable growth. These initiatives build a sustainable supply chain function for the future.

Value for money

The Institution maximizes return on money spent through the procurement of goods, works and services throughout the entire chain.



Procurement planning

The Institute prepares its procurement plan on annual basis, which guide all procurements as per the approved budgets. The procurement plan is approved by the Board of Governors and executed by the management to support the Institution's strategic objectives.

The plans are implemented in accordance with the Public Procurement and Asset Disposal Act 2015, by ensuring that all requirements (e.g. reservation for special groups to access public procurement opportunities) are met.

Access to Government Procurement Opportunities (AGPO)

CATEGORY	AWARDS	AWARDS
	FY 2023/2024	FY 2023-2024
	%	KShs
Women	60%	13,185,000
Youth	38%	8,350,500
PWD	2%	439,500
Total	100%	21,975,000

To achieve this, the following initiatives were taken;

- i. Sensitization of the public on procurement opportunities available to the youth and PWDs.
- ii. Prequalification of youth, women and persons with disability.
- iii. Effective planning and monitoring of the implementation teams.

Empowering local Firms

The 40% local content requirement in the international tendering process has enabled local Firms to benefit apportion of money spent on procurement.

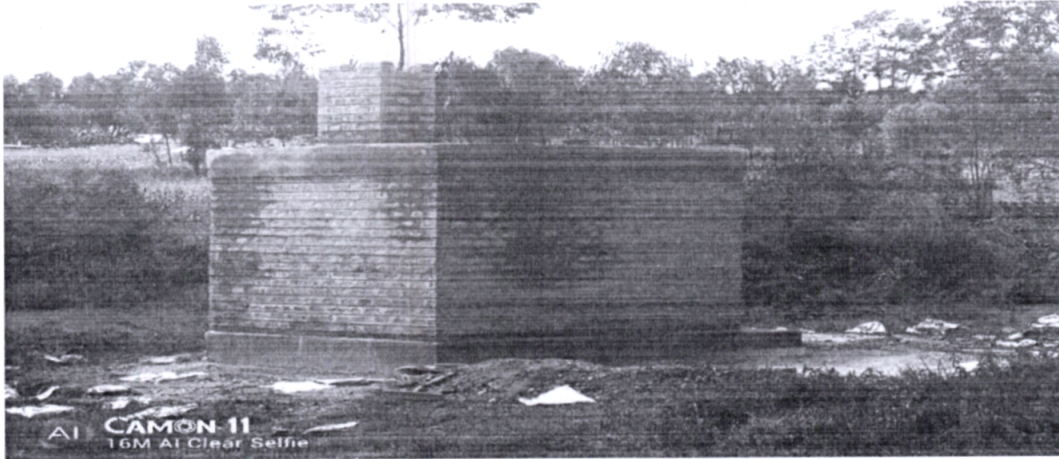
Promotion of local content in procurement (Buy Kenya, Build Kenya) initiative continues to be supported where by 40% of the Institution's non specialized budget, is spent on local products and services supplied by citizens.

During the year, procurement of locally manufactured goods and services (local content) allocation was Ksh. 29,300,000.

This was to support the growth of local industry for sustainable development.



CORPORATE SOCIAL RESPONSIBILITY.



Institute incinerator above



The PS SDTVET Dr.Esther Thaara Muoria planting a tree during National tree planting day above



The PS SDTVET Dr.Esther Thaara Muoria planting a tree during National tree planting day ,Siala tti team and members of the public participated above



The PS SDTVET and Siala team participating in planting trees (above and below)





The PS signing the visitors book on arrival as witnessed by Madam Principal and Other Visitors during National Tree planting Day. above



The PS and the team taking a Photo in front of the Administration block .(Above)



The TVET at 100 year being launched.(Above) XXXIX



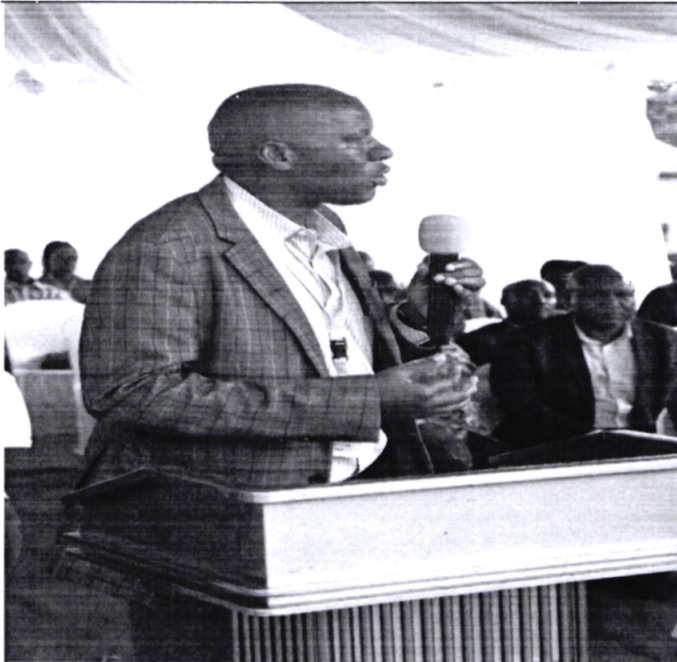
The Jitume ICT LAB at Siala TTI above



The PS addressing the team after planting the tree (above) .



Director TVET addressing the participants during KATTI Lake Region Tvet Fair Hosted by Siala TTI.(above).
XXXX



The TVET County Director giving opening remarks at the KATTI Lke region TVET Fair(above)



The Director TVET and Principals attending KATTI lake Region TVET Fair (above)



Madam Principal and other Guests Presenting Trophies to category winners (above and below)





Trophie presentation and celebration taking place (above)



The Participants showcasing their talents in different categories (above)



The Entertainment and celebrations by participants taking place(above)



11. REPORT OF THE BOARD OF GOVERNORS

The Institutes Board of Governors hereby submit its financial statements for the year ended June 30, 2024 which shows the state of affairs of Siala Technical Training Institute.

Principal activities

The Core business of the Institute as provided for in the TVET Act 2013 section 26 (1) (a) and (d) includes;

- i. Promotion of Skills Training in (TVET) through, Research, Science, Technology and Innovation in commensurate with Industry and community demands.
- ii. Promotion of gender balance and equality of opportunity among students and employees.
- iii. Promotion of equalization for persons with disability, minorities and other marginalized groups.

Results

The results of Siala TTI for the year ended June 30, 2024 are set out on page 1 to 38.

BOARD OF GOVERNORS

The members of the Board who served during the year are shown on page VII, VIII and IX

Auditors

The Auditor General is responsible for the statutory audit of Siala TTI financial statements FY2023/2024 in accordance with Article 229 of the Constitution of Kenya and in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

Asha Bakari
BOG Secretary
Date:24/9/2024



12. STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013, requires the Board to prepare financial statements which give a true and fair view of the state of affairs of the Institution at the end of the financial year/period and the operating results of the Institution for that year/period. The Board are also required to ensure that the Institution keeps proper accounting records which disclose with reasonable accuracy of the financial position of the Institution. The Board is also responsible for safeguarding the assets of the Institution.

The Board is responsible for the preparation and presentation of the Institution financial statements, which give a true and fair view of the state of affairs of the Institution at the end of the financial year on 30 June, 2024. This responsibility includes: (i) Maintaining adequate financial management and ensuring that these are effective throughout the reporting period; (ii) Maintaining proper accounting records, which discloses with reasonable doubt accuracy at any time the financial position of the entity; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Institution; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Board of Governors accept responsibility for the Institution financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act, 2013. The Board of Governors are of the opinion that the Institution's financial statements give a true and fair view of the state of Institution's transactions during the financial year ended June 30, 2024, and of the Institution financial position as at that date. The Board further confirm the completeness of the accounting records maintained by the Institution which have been relied upon in the preparation of the Institution's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Institution's financial statements were approved by the Board on 24/9/2024 and signed on its behalf by:

Mr. George P. Ogutu

BOG Chairman

Ms. Asha Bakari
Principal Siala tti

REPUBLIC OF KENYA

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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON SIALA TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Siala Technical Training Institute set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2024, and the statement of financial performance, statement of changes in net

assets, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended and 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 Siala Technical Training Institute as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the TVET Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Trade and Other Receivables

As previously reported, the statement of financial position reflects receivables from exchange transactions balance of Kshs.10,183,134 as disclosed in Note 16 to the financial statements. The balance of Kshs.10,183,134 is attributable to student debtors. However, no reconciliation of the student debtors was provided to confirm the student debtors' movement during the year and no explanation was given as to how Management intends to collect the outstanding balances. Further, the Institute did not prepare debtors' aging analysis to indicate the period the fees have remained outstanding.

In the circumstances, the accuracy and full recoverability of the trade and other receivables balance of Kshs.10,183,134 could not be confirmed.

2. Misstated Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.290,501,178 as disclosed in Note 18 to the financial statements. The following observations were made:

2.1 Non-Disclosure of Land and Engineering Equipment

Excluded from the property, plant and equipment balance of Kshs.290,501,178 is undetermined value of twenty (20) hectares of land, in contravention of the requirements under International Public Sector Accounting Standards 17 on property, plant, and equipment.

Further, documents provided for audit and inspection of the Institute's assets revealed that the Institution was in possession of engineering equipment valued at Kshs.53,700,668 through the African Development Bank (AfDB) project. The amount comprised Kshs.1,432,368 for mechanical engineering and Kshs.52,268,300 for automotive engineering equipment. However, the equipment balance of Kshs.53,700,668 was not recorded in the fixed assets register or these financial statements.

2.2 In-Complete Fixed Assets Register

Excluded from the property, plant and equipment balance of Kshs.296,740,252 is undetermined value of seven (7) computers, fifty (50) furniture and fittings donated by the Government of Kenya and a dining hall financed by Rongo County Development Fund. Further, the assets had not been recorded in the fixed assets register of the Institute.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.290,501,178 could not be confirmed.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.141,547,500 and Kshs.128,162,196 respectively, resulting to an under funding of Kshs.13,385,304 or 9% of the budget. Similarly, the Institute spent Kshs.118,109,960 against an approved budget of Kshs.141,547,500, resulting to an under-expenditure of Kshs.23,437,540 or 17% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is unmodified 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. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management had not resolved all the issues as at 30 June, 2024.

Other Information

Conclusion

The Board of Governors is responsible for the Other Information set out on pages iv to xxxvii which comprise of Key Entity Information, Board of Governors, Management Team, Chairperson's Statement, Report of the Principal, Statement of Performance for the financial year 2023/2024, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the

Board of Governors and the Statement of Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis of Conclusion

In connection with my audit on the 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Retention of Retired Staff Member as a Signatory

The statement of financial position reflects cash and cash equivalents balance of Kshs.52,031,507 as disclosed in Note 15 to the financial statements. Examination of the documents provided for audit revealed that the Institute had three signatories to each of the three accounts held with Kenya Commercial Bank Ltd. However, a staff member who retired in June 2023 was still listed as a signatory to Development Account. This was contrary to Section D.21 of Human Resource Policies and Procedures Manual, 2016 which states that “all officers shall retire from the Service on attaining the mandatory retirement age of 60 years”.

Management did not explain why the staff member was retained as a signatory to Development Account despite being removed as a signatory to the Main and Enterprise Accounts.

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

2. Irregular Hiring of Unlicensed Trainers

The statement of financial performance reflects employee costs balance of Kshs.17,716,224 as disclosed in Note 10 to the financial statements. Included in the amount is Kshs.7,678,355 paid to trainers who are not licensed and not registered by the board, contrary to Section 23 of the Technical and Vocational Education and Training Act, 2013 and Regulation 16(1) of the Technical and Vocational Education and Training

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

Regulations, 2015 that require all trainers to be registered by the Technical and Vocational Education and Training Authority.

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

3. Understaffing of the Institution

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects employee costs of Kshs.17,716,224. Review of the staff establishment revealed that the approved establishment for both technical and non-technical staff is one hundred and forty-one (141) and sixty-six (66) respectively. However, the actual establishment is ninety (90) and twenty-three (23), resulting to understaffing by fifty-one (51) and forty-three (43) respectively.

In the circumstances, due to the understaffing the Institute may not fully achieve the mandate for which it was established.

4. Non-Compliance with Affirmative Action on Ethnicity and Regional Distribution

Review of human resource records revealed that the Institute had one hundred and forty-one (141) employees as at 30 June, 2024, out of whom one hundred employees (100) or 71% were from the dominant community in the region. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that 'all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and 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 law.

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

REPORT ON THE 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 matter 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

Irregularities and Delay in the Implementation of Enterprise Resource Planning (ERP) System

The statement of financial position reflects property, plant, and equipment balance of Kshs.290,501,178 as disclosed in Note 18 to the financial statements. Included in the balance is Kshs.1,576,000 in respect of capital work in progress. Review of the documents revealed that on 2 June, 2022, the Institute entered into a contract with a local company for the design, supply, development, implementation, testing, and commissioning of an Enterprise Resource Planning for the Institute at a contract sum of Kshs.1,972,000. The contract specified that the services were to be delivered in two (2) months from the date of the contract of 15 September, 2022. The modules to be installed in the system were Finance Management, Students Management, Examination Management, Procurement and Store, and Web Portal.

According to the agreement, the payment was to be made in three phases namely; Phase One: Kshs.788,000 upon completion and submission of project preparation phase and business design; Phase Two: Kshs.788,000 upon successful system Go Live and Phase Three: Kshs.394,400 upon completion, handover and commissioning of the system.

Review of the payment documents revealed that Kshs.1,576,000 had been paid to the vendor as at 30 June, 2024 after the Ad hoc Committee in charge of the Enterprise Resource Planning system (ERP) installation reported that the modules were up and running and that the training on usability of the system had also been conducted in the Institution. However, as at the time of audit in March 2025, the modules were not operational. It was not clear why the Committee recommended payment to be made to the vendor despite the fact that the system was not operational nor had the staff been trained.

In these circumstances, there was no value for money on the expenditure of Kshs.1,576,000 on the Enterprise Resource Planning system.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Institution'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 is responsible for overseeing the Institution'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 IFPP 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

09 April, 2025



14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 JUNE 2024

	Notes	FY 2023/2024 Kshs.	FY 2022/2023 Kshs.
Revenue from non-exchange transactions			
Transfers from the National Government–grants/ Capitation	6	41,398,075	27,355,000
		41,398,075	27,355,000
Revenue from exchange transactions			
Rendering of services- Fees from students	7	83,598,561	52,259,715
Other income	8	3,165,560	1,924,770
Total Revenue from exchange Transaction		86,764,121	54,184,485
Total Revenue		128,162,196	81,539,485
Expenses			
Academic and Related Expenses	9	66,647,213	36,628,327
Employee costs	10	17,716,224	15,763,725
Remuneration of directors	11	4,075,900	4,021,769
Depreciation and amortization expense	12	9,156,059	9,242,910
Repairs and maintenance	13	1,377,735	2,165,681
Admin. Cost and General expenses	14	28,292,888	24,911,129
Total expenses		127,266,019	92,733,541
Other gains/(losses)			
Gain on sale of assets		0	0
Impairment loss		0	0
Total other gains/(losses)		0	0
Net Surplus for the year		896,177	(11,194,056)

The notes set out on page 6 to 38 form an integral part of the Financial Statements.

The Financial Statements set out on pages 1 to 5 were signed by

.....
Chairman of Council/Board

Date 24/9/2024

.....
Finance Officer

ICPAK No.Assoc 1316

Date 24/9/2024

.....
Principal

Date 24/9/2024



15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

	Notes	FY 2023-2024 Kshs	FY 2022-2023 Kshs
Assets			
Current assets			
Cash and cash equivalents	15	52,031,507	39,874,252
Receivables from exchange transactions	16	10,183,134	10,777,370
Inventories	17	1,020,052	1,850,235
		63,234,693	52,501,857
Non-current assets			
Property, plant and equipment	18	290,501,178	296,740,252
Intangible assets	19	118,732	169,616
		290,619,910	296,909,868
Total assets		353,854,603	349,411,725
Liabilities			
Current liabilities			
Refundable deposits from customers	20	276,500	276,500
Payments received in advance	21	5,969,630	2,422,929
		6,246,130	2,699,429
Non-current liabilities			
Borrowings		0	0
		0	0
Total liabilities		6,246,130	2,699,429
Net assets		347,608,473	346,712,296
Capital Reserves		12,345,146	12,345,146
Accumulated surplus		29,003,467	28,107,290
Capital Fund		306,259,860	306,259,860
Total Capital and Reserve		347,608,473	346,712,296
Total net assets and liabilities		353,854,603	349,411,725

The Financial Statements set out on pages 1 to 5 were signed by:

Chairman of Council/Board

Date 24/9/2029

Finance Officer

ICPAK No Assoc 1316

Date 24/9/2024

Principal


Date 24/9/2024



16. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2024

	Capital Reserves Ksh.	Retained earnings Ksh.	Capital/ Development Grants/Fund Ksh.	Total Ksh.
At June 30, 2021				
Revaluation gain				
Fair value adjustment on quoted investments	0	24,709,407	103,886,539	128,595,946
Total comprehensive income	0	0	0	0
Capital/Development grants received during the year	0	0	0	0
Transfer of depreciation/amortisation from capital fund to retained earnings	0	14,591,939	0	14,591,939
	0	0	0	0
At June 30, 2022	12,345,146	0	(0)	12,345,146
Revaluation gain	12,345,146	39,301,346	103,886,539	155,533,031
Fair value adjustment on quoted investments	0	0	0	0
Total Surplus /Deficit for the year	0	0	0	0
Capital/Development grants received during the year	0	(11,194,056)	0	(11,194,056)
Transfer of depreciation/amortisation from capital fund to retained earnings	0	0	202,373,321	202,373,321
	0	0	0	0
At June 30, 2023	12,345,146	28,107,290	306,259,860	346,712,296
Revaluation gain	0	0	0	0
Fair value adjustment on quoted investments	0	0	0	0
Total comprehensive income	0	896,177	0	896,177
Capital/Development grants received during the year	0	0	0	0
Transfer of depreciation/amortisation from capital fund to retained earnings	0	0	0	0
	12,345,146	29,003,467	306,259,860	347,608,473
At June 30, 2024				


24/9/2024


24/9/2024



17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	FY 2023/2024 Kshs.	FY 2022/2023 Kshs.
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6	41,398,075	27,355,000
Rendering of services- Fees from students	7	83,598,561	52,259,715
Other income	8	3,165,560	1,924,770
Total Receipts		128,162,196	81,539,485
Payments			
Academic Expenses	9	66,647,213	36,628,327
Compensation of Employees	10	17,716,224	15,763,725
Remuneration of directors	11	4,075,900	4,021,769
Repairs and Maintenance	13	1,377,735	2,165,681
Admin. cost and General expenses	14	28,292,888	24,911,129
Total Payments		118,109,960	83,490,631
Net cash flows from operating activities		10,052,236	(1,951,146)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		2,105,019	(3,273,215)
Proceeds from sale of property, plant and Equipment		0	0
Decrease in non-current receivables		0	0
Increase in investments		(0)	(0)
Net cash flows used in investing activities		2,105,019	(3,273,215)
Cash flows from financing activities			
Proceeds from borrowings		0.00	0.00
Increase in deposits(Development Grants)		0.00	0.00
Net cash flows used in financing activities		0.0	0.0
Net increase/(decrease)in cash and cash equivalents		12,157,255	(5,224,361)
Cash and cash equivalents at Start		39,874,252	45,098,613
Cash and cash equivalents at End	15	52,031,507	39,874,252

Chairman of Council/Board

Date 24/9/2024

Finance Officer
ICPAK No.Assoc 1316

Date 24/9/2024

Principal

Date 24/9/2024



18. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

	Original budget	Actual on comparable basis	Performance difference	Performance Utilization
	2023-2024	2023/2024	2023-2024	2023-2024
	Kshs	Kshs.	Kshs	Kshs
Revenue				
Transfers from other Gov't. entities and Gov't grants	75,000,000	41,398,075	(33,601,925)	(81)%
Rendering of services- Fees from students	66,267,000	83,598,561	17,331,561	21%
Finance Income	0	0	0	0
Other income	280,500	3,165,560	2,885,060	91%
Total income	141,547,500	128,162,196	(13,385,304)	10%
Expenses				
Compensation of employees	20,022,500	17,716,224	2,306,276	13%
Academic cost	67,080,952	66,647,213	433,739	1%
Repairs and maintenance Expenses	17,300,000	1,377,735	15,922,265	115%
Remuneration of Directors	5,318,000	4,075,900	1,242,100	31%
Administration and General expenses	31,826,048	28,292,888	3,533,160	12%
Total expenditure	141,547,500	118,109,960	23,437,540	20%
Surplus/Deficit for the period		10,052,236	10,052,236	

Explanation on variances

- GOK capitation grants for the fourth quarter was never received by the Institute by 30th June 2024 as shown in the table below:

24/9/2024

5

24/9/2024



Explanation on variances

Fees collections from the self-sponsored students is also a challenge since most of our students come from a poor background and mostly rely on HELB Loans and other bursaries.

QUARTERS	EXPECTED CAPITATION			CAPITATION RECEIVED			VARIANCE
	NO. OF TRAINEES	RATE	TOTAL	No. OF TRAINEES	RATE	TOTAL	
1	2500	7,500	18,750,000	2500	0	0	18,750,000
2	2500	7,500	18,750,000	2500	3,106.6	7,766,500	10,983,500
3	2500	7,500	18,750,000	2500	13,452.63	33,631,575	(14,881,575)
4	2500	7,500	18,750,000	2500	0	0	18,750,000
		30,000	75,000,000		16,559.23	41,398,075	33,601,925

Grants

Grants were received for three quarters instead of the budgeted four quarters but not for all students.

Rendering of services

Cultural factors are affecting trainee's ability or willingness to pay, but the institute capitalized on trainees sponsored by NYS for fee collection.

Board expenses

The Board member meetings were scattered to cover many activities at minimum cost but not falling below minimum required number of sittings..

Development Expenditure

The institution has not been supplied with enough equipment for all departments hence have to hire or buy some.

Compensation of employees

Amount allocated to be collected for employees' vote was not realized due to non-payment of fees. This had a direct effect on the outflow from this vote.

Use of Goods and Services

The under spending of this vote has also been affected by the depressed collection for this particular vote.

RMI

As with other expense votes, amount collected for this vote was depressed hence the same for spending.



19. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Siala TTI was established by and derives its authority and accountability from TVET Act, 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is outlined on page 3.

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 Institute's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements are disclosed in Note 18

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

The financial statements have been prepared in accordance with the PFM Act, 2012, the State Corporations Act, the TVET Act, 2013 and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.



Notes to the Financial Statements (Continued)

3.ADOPTION OF NEW AND REVISED STANDARDS

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

There are no new standards in the year ended 30th June 2024

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 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 Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>State the expected impact of the standard to the Entity if relevant</i>
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 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. <i>State the expected impact of the standard to the Entity if relevant</i>



<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> 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 IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i> 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 entity 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. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i> 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. <i>State the expected impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i> 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. <i>State the expected impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

Siala TTI did not early-adopt any new or amended standards in year 2024.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Revenue recognition

i) Revenue from non-exchange transactions IPSAS 23

Transfers from other government entities

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

ii) Revenue from exchange transactions IPSAS 9

Rendering of services

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

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

Sale of goods

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

Interest income

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

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.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget information

a) Budget information IPSAS 24

The original budget for FY 2023/2024 was approved by the Board on 25th April 2023. Subsequent revisions or additional appropriations were not made to the approved budget.

The Institution's budget is prepared using cash basis. IPSAS 24 requires disclosure of budget information through the Statement of Comparison of Budget.

The Institute Budget is prepared before the beginning of every financial year and is approved by the Board of Governors any variations to this Approved Budget are taken to the Institute Board of Governors for ratification.

The actual income and expenditure are disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis.

The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has been presented under page 5 of these financial statements.

b) Taxes

Current income tax

The Institute is exempt from paying taxes as per the Income Tax Act 2014

c) Taxes (continued)

Sales tax/ Value Added Tax

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

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

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



d) Investment property IPSAS 16

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

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

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

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

a) Property, plant and equipment IPSAS 17

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

f) Property, plant and equipment IPSAS 17 (continued)

The annual rates used are:-

Building	2.5%
Machinery and Equipment	12.5%
Furniture and Fittings	12.5%
Motor Vehicle	25%
Library Books	30%
Computers and Appliances	30%
Software	30%
Work in Progress	0%

Land not depreciated as it is deemed to have an indefinite life.



g) Leases IPSAS 13

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

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

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

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

g) Intangible assets IPSAS 31

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

h) Research and development costs

The Institution expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Institution 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 29

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

Impairment of financial assets

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

Financial liabilities

Initial recognition and measurement

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

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



Loans and borrowing

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

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

j) Inventories IPSAS 12

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

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

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

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

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

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

k) Provisions IPSAS 19

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

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

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

Contingent liabilities

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



Contingent assets

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

l) 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 entity 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 entity will incur in fulfilling the present obligations represented by the liability

m) Nature and purpose of reserves

The Institution has a capital reserve which represents the government interest in net asset /equity of the Institute and is a combination of contributed capital (Asset)by the Government and the aggregate of the Institute accumulated Surpluses or deficits.

n) Changes in accounting policies and estimates IPSAS 3

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

o) Employee benefits IPSAS 25

Retirement benefit plans

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

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



p) Foreign currency transactions IPSAS 4

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

q) Borrowing costs IPSAS 5

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 IPSAS 20

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

s) Service concession arrangements

The Institute 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 Institute 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 Institute 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 IPSAS 14

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.



5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

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	FY2023-2024	FY2022-2023
	Ksh.	Ksh.
Unconditional grants		
Capitation Grants	41,398,075	27,355,000
Operational grant	0	0
Development grants	0	0
Conditional grants		
Administration block grant	0	0
Learning Facilities Grant	0	0
Laboratory grant	0	0
Total government grants and subsidies	41,398,075	27,355,000

7. Rendering of Services

Description	FY2023-2024	FY2022-2023
	Ksh.	Ksh.
Tuition fees	68,930,112	38,183,238
Activity fees	2,779,269	2,179,207
Examination fees	10,304,330	10,475,750
Library fees	0.0	0.00
Facilities and materials	1,271,850	1,171,020
Registration fees	313,000	250,500
Total revenue from the rendering of services	83,598,561	52,259,715
Absorbed transfers from Gok	0	0.00
Total Net Revenue from fee	83,598,561	52,259,715

8. Other Income

Description	FY 2023-2024	FY 2022-2023
	Ksh.	Ksh.
Income from sale of tender	10,000	2,000.00
Centre fee/c.Money/TVETA	133,100	0
Rent& D.School.	181,100	7,000
S/Council	326,450	0
Application fee , KUCCPS and Student ID	934,270	1,230,200
Contingency /Admin cost	1,580,640	685,570
Total other income	3,165,560	1,924,770



9. Academic Related Expenses

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Ksh.
Tuition	48,433,870	25,686,660
Library and attachment	1,237,417	969,675
Examinations	12,292,378	8,239,175
Activity and Research	3,333,517	931,560
Medical, S/Council	1,350,031	801,257
Total good and services	66,647,213	36,628,327

10. Employee Cost

	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Salaries and wages (Non-Teaching)	6,726,884	6,015,476
Salaries and Wages Teaching Staff	10,989,340	9,748,249
Social contributions	0.0	0.00
Employee costs	17,716,224	15,763,725

11. Board Expenses

Description	FY 2023-2024	FY 2022-2023
	Ksh.	Ksh.
Chairman's Honoraria	120,000	120,000
Directors emoluments	3,955,900	3,901,769
Other allowances	0.0	0.00
Total director emoluments	4,075,900	4,021,769

12. Depreciation and Amortization expense

Description	FY2023-2024	FY2022-2023
	Ksh.	Ksh.
Property, plant and equipment	9,105,175	9,170,218
Intangible assets	50,884.00	72,692.00
Investment property carried at cost	0.00	0.00
Total depreciation and amortization	9,156,059	9,242,910



13.Repairs and Maintenance

Description	FY 2023-2024	FY 2022-2023
	Ksh.	Ksh.
Property	0	0
Furniture and fittings	0	0
Computers and accessories	0	0
Other	1,377,735	2,165,681
Total repairs and maintenance	1,377,735	2,165,681

14.Administration Cost And General Expenses

Description	FY 2023-2024	FY 2022-2023
	Ksh.	Ksh.
Admin. Expenses	15,846,845	14,404,889
Local Travels	8,105,938	7,924,570
Electricity	3,557,425	2,051,470
Performance Contract and ISO	782,680	530,200
Tender expenses	0.0	0.00
Production unit	0	0
Other	0	0
Total Admin and general expenses	28,292,888	24,911,129

15.Cash and Cash Equivalents

Description	FY 2023-2024	FY 2022-2023
	Ksh.	Ksh.
Current account	51,875,218	39,513,595
On - call deposits	0.00	0.00
Fixed deposits account	0.00	0.00
Development A/C	159	159
Others (Cash and M-pesa)	156,130	360,498
Total cash and cash equivalents	52,031,507	39,874,252



15a. Detailed Analysis of Cash and Cash equivalents

		FY 2023-2024	2022-2023
Financial institution	Account number	KShs	KShs
a) Current account			
Kenya Commercial bank	A/C 1198612371	51,837,241	39,420,892
Kenya Commercial bank	A/C 1224498747	37,977	92,703
Kenya Commercial bank	A/C 1224498879	159	159
Sub- total		51,875,377	39,513,754
b) On - call deposits			
Kenya Commercial bank		0.00	0.00
Sub- total		0.00	0.00
c) Fixed deposits account			
Kenya Commercial bank	A/C 1198612371	0.00	0.00
Sub- total		0.00	0.00
d) Others(specify)			
Imprest		155,000.00	110,000.00
Cash in hand		1,130.00	64,950.00
M pesa		0.00	185,548
Sub- total		156,130	360,498
Grand total		52,031,507	39,874,252

16.Receivables from Exchange transactions

16(a) Current Receivables from Exchange transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Current receivables		
Student debtors	10,183,134	10,777,370
Total current receivables	10,183,134	
Non-current receivables		
Refundable deposits	0.00	0.00
Less: impairment allowance	0.00	0.00
Total	0.00	0.00
Current portion transferred to current receivables	0.00	0.00
Total non-current receivables	0.00	0.00
Total receivables	10,183,134	10,777,370



16(b) Ageing Analysis of Receivables from Exchange transactions

Description	FY 2023/2024		FY 2022/2023	
	Kshs		Kshs	
	FY2023/2024	% of the total	FY2022/2023	% of the total
Less than 1 year	6,500,500	64%	4,500,370	42%
Between 1- 2 years	2,030,100	20%	4,000,800	37%
Between 2-3 years	1,652,534	16%	2,276,200	21%
Over 3 years	0.00	0%	0.00	0%
Total (a+b)	10,183,134	100%	10,777,370	100%

17. Inventories

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Consumable stores and Exams	211,437	690,955
Maintenance stores	500,360	203,300
Health Unit stores	124,905	45,145
Electrical stores	115,500	380,950
I&M Store	67,850	529,885
Total inventories at the lower of cost and net realizable value	1,020,052	1,850,235

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18. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Other Assets (Specify)	Plant and equipment	Capital Work in progress	Total
Cost		Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 30th June 2020	0	99,414,507	0	1,874,312	209,700	503,215	0	0	102,001,734
Additions	0	3,040,151	0	94,800	230,382	437,141	0	0	3,802,474
Disposals		0	0	0	0	0	0	0	0
Transfer/adjustments		0	0		0	0	0	0	
At 30th June 2021	0	102,454,658		1,969,112	440,082	940,356	0	0	105,804,208
Additions	0	395,362	4,559,999	880,000	370,000	222,129	0	1,067,443	7,494,933
Disposals		0	0	0	0	0	0	0	0
Transfer/adjustments		0	0	0	0	0	0	0	0
At 30th June 2022	0	102,850,020	4,559,999	2,849,112	810,082	1,162,485	0	1,067,443	113,299,141
Additions	0	204,023,321	0	873,215	750,000	182,125	0	814,918	206,643,579
Disposals		0	0	0	0	0	0	0	0
Transfer/adjustments		0		0		0	0	(1,067,443)	(1,067,443)
At 30th June 2023	0	306,873,341	4,559,999	3,722,327	1,560,082	1,344,610	0	814,918	318,875,277
Additions	0	0	1,810,929	0	294,090	0	0	1,576,000	3,681,019
Disposals		0	0	0	0	0	0	0	0
Transfer/adjustments		0	0	0	0	0	0	(814,918)	(814,918)
At 30th June 2024	0	306,873,341	6,370,928	3,722,327	1,854,172	1,344,610	0	1,576,000	321,741,378
Depreciation And Impairment									
Impairment		0	0	0	0	0	0	0	0
Transfer/adjustment		0	0	0	0	0	0	0	0
Accumulated Depreciation as At 30th June 2020	0	4,915,888	0	560,759	124,285	285,016	0	0	5,885,948
Depreciation		2,438,469	0	176,044	94,739	196,602	0	0	2,905,854
Disposals		0	0	0	0	0	0	0	0
Impairment		0	0	0	0	0	0	0	0
Transfer/adjustment			0	0	0	0	0	0	0
Accumulated Depreciation as At 30th June 2021	0	7,354,357	0	736,803	219,024	481,618	0	0	8,791,802
Depreciation		2,387,391	1,139,999	264,038	177,317	204,260	0	0	4,033,006
Disposals		0	0	0	0	0	0	0	0
Impairment		0	0	0	0	0	0	0	0

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Transfer/adjustment		0	0	0	0	0	0	0	0
Accumulated Depreciation as At 30th June 2022	0	9,741,748	1,139,999	1,000,841	396,341	685,878	0	0	12,964,807
Depreciation		7,428,290	855,000	340,186	349,122	197,620	0	0	9,170,218
Disposals		0	0	0	0	0	0	0	0
Impairment		0	0	0	0	0	0	0	0
Transfer/adjustment		0	0				0	0	0
Accumulated Depreciation as At 30th June 2023	0	17,170,038	1,994,999	1,341,027	745,463	883,498	0	0	22,135,025
Depreciation	0	7,242,583	1,093,982	297,663	332,613	138,334	0	0	9,105,175
Disposals		0	0	0	0	0	0	0	0
Impairment		0	0	0	0	0	0	0	0
Transfer/adjustment		0	0	0	0	0	0	0	0
Accumulated Depreciation as At 30th June 2024	0	24,412,621	3,088,981	1,638,690	1,078,076	1,021,832	0	0	31,240,200
Net book values									
At 30th June 2024		282,460,720	3,281,947	2,083,637	776,096	322,778	0	1,576,000	290,501,178
At 30th June 2023		289,703,303	2,565,000	2,381,300	814,619	461,112	0	814,918	296,740,252
At 30th June 2022		93,108,748	3,419,999	1,848,270	413,740	476,606	0	1,067,443	100,334,806
At 30 th June 2021		95,100,301	0	1,232,309	221,058	458,738	0	0	97,012,406



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 xxx professional valuers on xxx. These amounts were adopted in the financial statements on xxx.

18 (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	0.00	0.00	0.00
Buildings	306,873,341	24,412,621	282,460,720
Plant And Machinery	0	0	0
Motor Vehicles including Motorcycles	6,370,928	3,088,981	3,281,947
Computers and Related Equipment	1,854,172	1,078,076	776,096
Office Equipment, Furniture, And Fittings	3,722,327	1,638,690	2,083,637
Other Assets	1,344,610	1,021,832	322,778
Total	320,165,378	31,240,200	288,925,178

Note: WIP figure of ksh.1,576,000.00 has not been added to Cost and NBV.



19. Intangible Assets

1. Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Cost		
At the Beginning of 1st July 2019	706,440.00	706,440.00
Additions–internal development	0,00	0,00
At 30th June 2020	706,440.00	706,440.00
Amortization	211,932	211,932
At 30th June 2020	494,508	494,508
NBV	494,508	494,508
At 1st July 2020	494,508	706,440.00
Additions–internal development	0,00	0,00
At 30th June 2021	494,508	494,508
Amortization	148,352	148,352
NBV	346,155	346,155
At 30th June 2021	346,155	346,155
At 1st July 2021	346,155	346,155
Additions–internal development	0,00	0,00
At 30th June 2022	346,155	346,155
Amortization	103,847	103,847
NBV	242,308	242,308
At 30th June 2022	242,308	242,308
At 1st July 2022	242,308	242,308
Additions–internal development	0,00	0,00
At 30th June 2023	242,308	242,308
Amortization	72,692	72,692
NBV	169,616	169,616
At 30th June 2023	169,616	169,616
At 1st July 2023	169,616	169,616
Additions–internal development	0,00	0,00
At 30th June 2024	169,616	169,616
Amortization	50,884	50,884
NBV	118,732	118,732
At 30th June 2023	169,616	169,616
At 30th June 2024	118,732	



20 Refundable Deposits from Customers/Students

Description	FY 2023-2024		FY 2022-2023	
	Kshs.		Kshs.	
Consumer deposits	0.00		0.00	
Caution money	276,500.00		276,500.00	
Other refundable deposits	0.00		0.00	
Total Deposits	276,500		276,500	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	Xxx	%	Xxx	%
1-2 years	Xxx	%	Xxx	%
2-3 years	Xxx	%	Xxx	%
Over 3 years	Xxx	%	Xxx	%
Total (to tie to totals deposits above)	Xxx	%	Xxx	%

21. Payments received in advance.

Description	FY 2023-2024		FY 2022-2023	
	Kshs.		Kshs.	
Fees received in advance	5,969,630		2,422,929	
Others (Specify)	0.00		0.00	
Total	5,969,630		2,422,929	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	Xxx	%	xxx	%
1-2 years	Xxx	%	xxx	%
2-3 years	Xxx	%	xxx	%
Over 3 years	Xxx	%	xxx	%
Total	Xxx	%	xxx	%

22. Financial Risk Management

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to 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 entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

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

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

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2020				
Receivables from exchange transactions	11,802,503.00	11,802,503.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	11,802,503.00	11,802,503.00	0.00	0.00
At 30 June 2021				
Receivables from exchange transactions	13,582,299.00	13,582,299.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	13,582,299	13,582,299	0.00	0.00
At 30 June 2022				
Receivables from exchange transactions	12,950,500.00	12,950,500.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	12,950,500	12,950,500	0.00	0.00
At 30 June 2023				
Receivables from exchange transactions	10,777,370.00	10,777,370.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	10,777,370	10,777,370	0.00	0.00
At 30 June 2024				
Receivables from exchange transactions	10,183,134.00	10,183,134.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	0.00	0.00	0.00	0.00
Total	10,183,134	10,183,134	0.00	0.00

(i) Credit risk (continued)

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



The entity has significant concentration of credit risk on amounts due from 2020.

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements.

The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2019				
Trade payables	0.00	500,000.00	2,330,626.00	2,830,626.00
Deferred income	0.00	0.00	1,528,350.00	1,528,350.00
Refundable Deposits	0.00	85,000.00	207,279.00	292,279.00
Total	0.00	585,000.00	4,066,255.00	4,651,255.00
At 30 June 2020				
Trade payables	0.00	4,840,014.00	0.00	4,840,014.00
Deferred income b/f	874,938.00	0.00	0.00	874,938.00
Refundable Deposits	0.00	0.00	292,279.00	292,279.00
Total	874,938.00	4,840,014.00	292,279.00	6,007,231.00
At 30 th June 2021				
Trade payables	0.00	3,187,779.00	0.00	3,187,779.00
Deferred income b/f	0.00	0.00	0.00	0.00
Refundable Deposits	0.00	0.00	276,500.00	276,500
Total	0.00	3,187,779	276,500	3,464,279
At 30 th June 2022				
Trade payables	0.00	3,474,300.00	0.00	3,474,300
Deferred income b/f	0.00	0.00	0.00	0.00
Refundable Deposits	0.00	0.00	276,500.00	276,500
Total	0.00	3,474,300	276,500	3,750,800
At 30 th June 2023				
Trade payables	0.00	2,422,929.00	0.00	2,854,692
Deferred income b/f	0.00	0.00	0.00	0.00
Refundable Deposits	0.00	0.00	276,500.00	276,500
Total	0.00	2,422,929	276,500	2,699,429
At 30 th June 2024				
Trade payables	0.00	5,969,630.00	0.00	5,969,630
Deferred income b/f	0.00	0.00	0.00	0.00
Refundable Deposits	0.00	0.00	276,500.00	276,500
Total	0.00	5,969,630	276,500	6,246,130



Notes to the Financial Statements (Continued)

Financial Risk Management (Continued)

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2024			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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



Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30th June 2024			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

a) Foreign currency sensitivity analysis

The following table demonstrates the effect on the company's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on Equity
	Kshs	Kshs	Kshs
2023			
Euro	10%	0	0
Usd	10%	0	0
2024			
Euro	10%	0	0
Usd	10%	0	0

b) Interest rate risk

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

Management of interest rate risk

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



Financial Risk Management (Continued)

(ii) Market risk (Continued)

b) Interest rate risk(continued)

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase.

iv) Capital Risk Management

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	0
Capital Reserve	0	0
Total Funds	0	0
Total Borrowings	0	0
Less: Cash and Bank Balances	(0)	(0)
Net Debt/(Excess Cash and Cash Equivalentents)	0	0
Gearing	0%	0%

23.Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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



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

Description	FY2023-2024	FY2022-2023
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Total	0.00	0.00
B) Purchases from related parties		
Total	0.00	0.00
b) Grants /Transfers from the Government		
Grants from National Govt	41,398,075	27,355,000
Grants from County Government	0.00	0.00
Donations in Kind	0.00	0.00
Total	41,398,075	27,355,000
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for Employees	17,716,224	15,763,725
Total		
d) Key Management Compensation		
Directors' emoluments	4,075,900	4,021,769
Compensation to Key Management	0.00	0.00
Total	4,075,900	4,021,769

24.Capital Commitments

Capital Commitments	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Authorised and Contracted for	5,000,000.00	0.00
Total	5,000,000.00	0.00

25.Events After The Reporting Period

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

26.Ultimate And Holding Entity

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

27.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:
SNY/SIALA TTI/2021/2022/(26)	Property, Plant and Equipment. Values of Equipment mechanical engineering supplied by the Ministry of Education amounting to Ksh.121,713,496. Are missing in the financial statement and PPE schedule.	The management had written to the Ministry of Education seeking clarification on the individual values of equipment supplied but response was yet to be received.	Partially resolved.	FY2024/2025
SNY/SIALA TTI/2021/2022/(26)	Budgetary Control and Performance The statement of comparison of budget and actual amounts shows total budgeted and actual revenue of Kshs.91,497,618 and Kshs.76,331,655 respectively resulting to a Kshs.15,165,963 shortfall which is equivalent to 17% of the approved budget. Similarly, the Institute spent Kshs.60,142,435 or approximately 66% of the budgeted expenditure of Kshs.91,497,618 resulting to under-expenditure of Kshs.31,355,183 or 34% of the budget.	The Institute failed on budgeted revenue realization because of students enrolment which slightly never met the projected annual enrolment. The Capitation grants from the Ministry of Education for the fourth quarter were never received by the Institution at the closure of the financial year	Partially Resolved	N/A
SNY/SIALA TTI/2021/2022/(26)	Doubtful Receivables from Exchange Transactions The statement of financial position reflects receivables from exchange transactions balance of Kshs.12,950,500 as disclosed in Note 15 to the financial statements which relates wholly to student debtors. However, as previously reported, the Management did not provide the aging analysis. In addition, Management did not provide evidence of efforts made to significantly collect the debts.	The development of fee collection policy is at the Board level for ratification and shall be implemented immediately. In addition ,effort has been made towards recovery of the balance and an amount of ksh.2,173,130 so far was recovered in the financial year 2022-2023 but the figure has continued to increase due to delay in disbursement of Capitation grants by the National government.	Partially Resolved	2023/2024



Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
SNY/SIALA TTI/2021/2022/(26)	<p>Lack of Ethnic Diversity in Staff Composition</p> <p>Examination of employee records revealed that out of 113 employees, 84, translating to 74% were from one dominant community, contrary to the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff have not more than one third of its staff from same ethnic community.</p>	The Management advertises vacancies on the two dailies with national circulation but the remuneration offered by the Institute only attracts applicants from the local community to Comply with the recommendation and make the necessary changes immediately	Not Resolved	2023 2024
SNY/SIALA TTI/2021/2022/(26)	<p>. Lack of Risk Management Policy and Framework.</p> <p>The Institute does not have an approved risk management policy and framework or a risk register contrary to Regulation 165 of Public Finance Management (National Government) Regulations, 2015 which requires an accounting officer to ensure that a national government entity develops risk management strategies, which includes; fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.</p>	The Management has initiated the process of developing a risk management policy and framework for approval by the audit committee.	Not Resolved	2023 2024

Accounting Officer
 Asha Bakari
 Principal Siala TTI

Date.24/9/2024



APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects

Projects implemented by the State Corporation/ SAGA Funded by development partners

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1.Phase 1 GOK/AFDB Mechanical Engineering Workshop Block	1	GOK/AFDB	2014-2016	Fully Committed	Yes	Partly.
2.Civil Engineering Complex	1	GOK/AFDB	2018-2019	Fully Committed	Yes	No.
3.Electrical Engineering Workshop	1	GOK/MOE	2020	Fully Committed	No	Yes
4.Burning Chamber (Incinerator)	1	SIALA TTI	2021	Fully Committed	No	Yes
5. Tuition Rooms	1	SIALA TTI	2022	Fully Committed	No	No.
6.Institutional Management Complex	1	GOK/AFDB	2023-2025	Fully Committed	Yes	No.

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Mechanical workshop.	219,207,984.67	-	90%	219,207,984.67	-	GOK/afDB
2	Civil Engineering Workshop.	254,641,621.00	-	85%	254,641,621.00	-	GOK/afDB
3	Electrical Engineering Workshop	3,040,151.00	3,056,700	100%	3,056,700	3,040,151	MOE
4	Burning Chamber (incinerator)	423,865.00	423,865	100%	500,000.00	423,865	SialaTTI Internal Funding
5	Tuition Rooms	1,650,000.00	1,650,000	85%	1,650,000.00	1,650,000	SialaTTI Internal Funding
6	Institutional Management Complex.	XXX	Xxx	50%	0.00	0.00	GOK/afDB



Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of Education

Name of beneficiary entity: Siala Technical Training Institute

Confirmation of amounts received by Siala Technical Training Institute as at 30th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	31 December.2023	7,766,500	0	7,766,500	
	31 March.2024	33,631,575	0	33,631,575	
Total		41,398,075	0	41,398,075	

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

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity:
 Name Sign Date.....

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