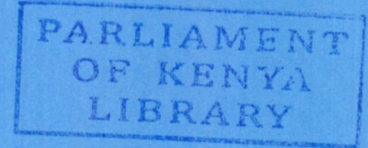




REPORT

OF



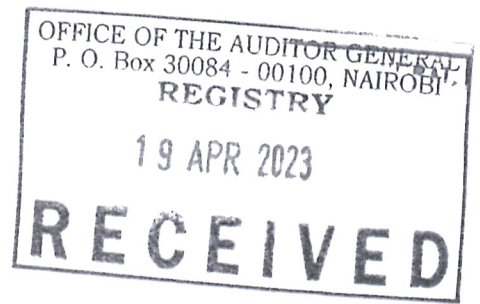
THE AUDITOR-GENERAL

ON

**KENYA INSTITUTE OF CURRICULUM
DEVELOPMENT**

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

THE NATIONAL ASSEMBLY
DATE: 24 JUN 2023 TUESDAY
TABLED BY: Hon. Owen Bayo, MP
Deputy Leader of the Majority Party
CLERK OF THE TABLE: Inzofu Mwale



A Skilled and Ethical Society

KENYA INSTITUTE OF CURRICULUM DEVELOPMENT

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2022**

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2022**

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background Information

The Kenya Institute of Curriculum Development (KICD) is a State Corporation established by KICD Act No. 4 of 2013 (Revised 2018). The Institute's core function is to conduct research and develop curricula and curriculum support materials for all levels of education except the university. The Institute also develops print and electronic curriculum support materials, initiates and conducts curriculum based research, organizing and conducting in service and orientation programmes for curriculum implementers.

(b) Principal Activities

The Institute is mandated through KICD Act No. 4 of 2013 (Revised 2018), amended (2020) to develop curriculum and curriculum support materials informed by research for basic and tertiary education and training. The Institute's vision is "A skilled and ethical society" while mission is "To provide curricula and curriculum support materials through research and engagement to nurture every learner's potential for sustainable development". The tagline is "Nurturing Every Learner's Potential".

(c) Key Management

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

- (i) Senior Management
- (ii) Management

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(d) Fiduciary Management

The Senior Management personnel who held office during the year ended 30th June 2022 and who had direct fiduciary responsibility were:

Designation	Name	Date of Appointment	Date of Exit
Director/Chief Executive Officer	Prof. Charles O. Ong'ondo	28 th September 2020	
Senior Deputy Director Corporate Services	Dr. Joel Mabonga	1 st Sep 2019	
Senior Deputy Director – Media and Extension Services	Mr. John Kimotho	1 st February, 2008	23 rd February 2022
Senior Deputy Director Curriculum and Research Services	Mrs. Jacqueline Onyango	1 st July, 2017	

(e) Fiduciary Oversight Arrangements.

The Council provides oversight arrangements through various Council Committees. The Committees include:

i) Finance, Strategy and General Purposes Committee.

This Council Committee has the following terms of reference;

- To review proposed annual budgets and annual procurement plans in line with the Institutes mandate and strategic objectives and goals and recommend to the Council for approval.
- To advise the Council on resource mobilization strategies including, utilization of existing facilities to generate more income.
- To review financial performance against budget and to report on implications of significant variances to the Council.
- To review annual Financial accounts of the Institute and to recommend to the Council for approval.
- To review management's procedures for procurement and the controls in place to ensure value for money.

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- To ensure that there are systems in place to safeguard the assets of the Institute.
- To review all the financial policies including public private partnership framework and recommend them to the Council for approval.
- To review the Institutes Strategic Plan to ensure that it is linked to its mandate, vision and mission.
- To ensure provision of adequate budgetary allocation for the implementation of the Strategic Plan.
- To monitor and review the performance of the Institute in meeting strategic objectives.
- To consider and make recommendations to the Council concerning new strategic opportunities and initiatives.

ii) Human Resource and Governance Committee

This Council Committee has the following terms of reference;

- To oversee that the recruitment of new employees done in line with the Law and the Institute's policies.
- To review the organizational structure of the Institute to align it to its mandate and best practices and recommend any changes to the Council for approval.
- To review and recommend employees compensation, including incentives, benefits, welfare programmes and retirement plans, to the Council for approval to ensure attraction, recruitment and retention of highly qualified employees.
- To ensure that the organization has appropriate human resource policies in compliance with the law.
- To ensure that the Institute has a succession management strategy and oversee its implementation.
- To handle any other human resource issues delegated to the Committee by the Council.
- To review and recommend the Council Charter outlining the principles, policies and procedures by which the Council will operate.
- To recommend to the Council any reports on corporate governance that may be required or considered advisable.
- To review Council members' conflict of interest statements.
- To undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Institute.
- To receive annual Governance audit and report to the Council on areas that require improvement.

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iii) Curriculum Technical Committee

This Council Committee has the following terms of reference;

- To review all curricula developed or vetted by the Institute and recommend to the Council for approval.
- To receive a report of all curriculum support materials evaluated by the Institute and recommend to the Council for approval.
- To review progress of all initiatives put in place by the Institute to implement KICD Act and Regulations.
- To review implementation of the Kenya Institute of Curriculum Development Act and Regulations and to recommend amendments where necessary to improve service delivery.

iv) Audit, Risk and Compliance Committee

This Council Committee has the following terms of reference;

- To review the effectiveness of the Institute's internal control framework
- To monitor and review the effectiveness of the internal audit function and internal auditor's reports and to seek such assurance as it may deem appropriate that the function is independent.
- To consider management's response to any recommendations made by the external auditor or internal audit and review with internal audit and the external auditor any fraudulent or illegal acts, deficiencies in internal control or other similar issue, including reviewing the results of management's investigation and follow up of any fraudulent acts.
- To ensure that the Institute has adequate policies and procedures to manage risks.
- To evaluate the internal processes for identifying, assessing, monitoring and managing key risk areas after considering the Risk Management Policy approved by the Council.
- To receive and keep under review major risk assessments made by the Institute and the disaster recovery plan necessary to ensure business continuity.
- To review the Institute's procedures for handling allegations from whistleblowers from time to time.
- To review the Institute's procedures concerning the prevention, mitigation and detection of fraud and economic crimes.
- To evaluate the Institute's compliance with relevant Laws and Regulations relating to its operations including but not limited to, procurement, employment, occupational health and safety, and Finance laws.
- To evaluate the adequacy of the systems for ensuring that requisite statutory requirements are complied with.

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(f) Headquarters

Kenya Institute of Curriculum Development,
P.O. Box 30231-00100,
Desai Road, Off Murang'a Road,
Nairobi, Kenya.

(g) Contacts

Kenya Institute of Curriculum Development
Telephone: (020) 3749900-3
Email: info@kicd.ac.ke
Website: www.kicd.ac.ke

(h) Bankers

Kenya Commercial Bank,
Moi Avenue Branch,
P.O. Box 30081 – 00100,
Nairobi, Kenya.

Co-operative Bank of Kenya,
Stima Plaza Branch,
P.O. Box 48231 – 00100,
Nairobi, Kenya.

Equity Bank Limited,
Ngara Branch,
P.O. Box 33080-00600,
Nairobi, Kenya.

National Bank of Kenya
P O Box 72866-00200
Nairobi, Kenya.
NCBA Kenya bank PLC,
P O Box 44599
Nairobi, Kenya.

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(i) Independent Auditors



Auditor General,
Anniversary Towers, University Way,
P.O. Box 30084-00100,
Nairobi, Kenya.

(j) Principal Legal Adviser

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

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II. COUNCIL MEMBERS

 <p style="text-align: center;">PROF. ELISHIBA NJAMBI KIMANI</p> <p style="text-align: center;">CHAIRPERSON</p>	<p>Appointed on 6th October, 2021</p> <p>Prof. Elishiba Njambi Kimani (68 years) is a Professor in Gender, Education and Development Studies in Kenyatta University, Department of Sociology, Gender and Development Studies. She is an Educationist, having studied Doctor of Philosophy Degree in Gender, Education and Development Studies from Kenyatta University, Master's degree in Education (MED) in Primary Teacher Education (P.T.E.); and a Bachelor's degree in Education (BED-Arts) in History and Geography, both from University of Nairobi. She is currently serving as the acting Dean, Graduate School in Kenyatta University having previously served the university in several administrative positions including Associate Dean, Graduate School, and Director of the University Mentoring Programme, Departmental Chairman and Examination Coordinator. She is familiar with the current global and Kenyan education trends, having been trained in Education and worked as a teacher in Kenyan primary, secondary, Teachers training colleges and university since 1977. Additionally, she has served as a consultant in gender, education and development for various national and international organizations as well as local and international public and private sectors. She is a renowned researcher and scholar having published many articles in peer reviewed journals, books and chapters; and successfully supervised many post graduate students in Masters and Ph.D.</p>
 <p style="text-align: center;">MR. JOHNSON NZIOKA</p> <p style="text-align: center;">MEMBER</p>	<p>Appointed on 1st September 2019</p> <p>Mr. Nzioka (56 years), has been a head-teacher of various schools in Nairobi for the last 19 years and is currently the head teacher at Donholm Primary School. He has a higher Diploma in Education management from KEMI which he acquired in July 2013 and a Bachelor of Education (Arts) from The East African University graduating on 5/12/2017 and other professional trainings in Education matters.</p> <p>Alongside the teaching duties he has been involved in management of Co-curricular activities having risen from the Sub County as a Kenya Primary Schools Sports Association chairman to the National Vice Chairman of the same in 2015.</p> <p>He is currently the National Chairman of Kenya Primary Schools Head-teachers Association (KEPSHA) and Organizing Secretary, Federation of East Africa Primary Schools Head-teachers.</p>

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FCPA JULIUS MWATU

**CO-OPTED
MEMBER**

Appointed on 4th March, 2020

FCPA Mwatu (49 years) is the Managing Partner at CPJ & Associates and has extensive experience in the accountancy profession spanning over 20 years specializing in audit, tax, integrated reporting and governance.

He is a past Chairman of the Institute of Certified Public Accountants of Kenya (ICPAK) and a fellow of the Institute. Julius also previously served as a Board of Trustee of KCA University, a Council Member of the International Federation of Accountants (IFAC), the global body of Professional Accountancy Organisations (PAOs), and as a Board Member of the Pan African Federation of Accountants (PAFA), the African body of PAOs.

Julius holds an MBA in Finance and a BSc. in Statistics. He is a Certified Public Accountant of Kenya - CPA (K), a Certified Secretary - CS and a Certified Financial Analyst – CFA.

Julius sits in a number of boards and committees in public sector, private sector and publicly listed companies.





PROF. ORPHA K. ONGITI

MEMBER

Appointed on 1st September, 2019

Prof. Ongiti (60 years) is a Professor of Educational Administration and Policy Studies. She is a Ford Foundation International Fellow (2002). Prof. Ongiti earned her PhD and MSc in Educational Administration and Policy Studies from the State University of New York (SUNY) at Albany NY. A Professional Teacher, Policy and Curriculum expert, Prof. Ongiti attained a Master’s in Education (MED) Degree, specializing in Curriculum Studies from Kenyatta University, and a Bachelor of Education Degree from the University of Nairobi. While pursuing her PhD at SUNY, she received the following awards: Dissertation Research Fellowship Award; Initiative for Women Award; Leadership Award, and The Bette Knowlton Roe Scholarship. Management positions held: currently, Dean of Postgraduate Studies & Director of the Institute of Research at Africa Nazarene University; member, Board of Management, Kereri Girls High School; Director, Bicham School; Member, Board of Trustee Nairobi Hospital; previously, .Principal, Nairobi CBD Campus of Africa Nazarene University, Deputy Principal, Nairobi School; Manager, Ngong Hills Adventist School.

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 <p align="center">DR. MARY GATURU</p> <p align="center">REPRESENTATIVE OF PRINCIPAL SECRETARY, STATE DEPARTMENT OF EARLY LEARNING AND BASIC EDUCATION</p> <p align="center">MEMBER</p>	<p>Appointed on 1st September, 2019</p> <p>Dr. Gaturu, Hsc, (59 Years), is currently a director of Quality Assurance and standards in the department of early learning and basic education at the Ministry of Education. She holds PhD in education administration from Kenyatta University, Master's degree in education administration from Kenyatta university and Bachelor of Education from Kenyatta University. She has a wealth of experience in administration having worked as an inspector of school, district education officer in various districts in the country, county director of education and Regional director of education in rift valley region. She has also served in various university councils and has taken a number of leadership trainings both locally and internationally.</p>
 <p align="center">MS. FLORENCE NGARARI</p> <p align="center">MEMBER</p>	<p>Appointed on 1st September, 2019</p> <p>Ms. Ngarari (55 years), has a Bachelor's degree in Education. She is currently the Principal of Pangani Secondary School. Her area of expertise is administration and Education.</p>

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MR. GABRIEL MATHENGE
**REPRESENTATIVE, TEACHERS
SERVICE COMMISSION**
MEMBER

Appointed on 6th August 2020

Mr. Mathenge (51 years) has over twenty years of extensive experience in teacher performance management, instructional leadership, project management and educational administration. He holds a Master of Education in Education Administration.

He has over 12 years' experience working with the Teachers Service Commission, specializing on Quality Assurance and Standards. He is a member of KAPAM, and has served in various educational committees and attended several local and international education conference. Previously he worked as high school teacher, deputy principal and high school principal.



PROF. WINSTON AKALA
MEMBER

Appointed on 1st September, 2019

Prof. Akala (56 years), is currently a member of faculty at the School of Education, Department of Educational Administration and Planning, University of Nairobi. He is a specialist in curriculum development, education research, monitoring and evaluation with a Master of Philosophy degree in Curriculum development from Moi University and Doctorate degree in Curriculum research from the University of Illinois at Urbana- Champaign.

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MR. WESLEY TOO

**REPRESENTATIVE OF
PRINCIPAL SECRETARY, THE
NATIONAL TREASURY**

Appointed on 10th May, 2017

Mr. Too (50 years) represents the Principal Secretary, National Treasury. He is a Deputy Director of Resource Mobilization in The National Treasury, Resources Mobilization Department. He has over ten years' experience in resources mobilization, and holds a Master of Arts Degree in Economics from the University of Nairobi.



DR. DAVID NJENGERE

MEMBER

Appointed on 1st July, 2021

Dr. Njengere (54 years) is currently the Chief Executive Officer, The Kenya National Examinations Council (KNEC).

He holds a PhD in Education, Master of Philosophy in English and Bachelor of Education in English and Literature all from Moi University. He also holds a Post Graduate Diploma in Curriculum Design and Development from the International Bureau of Education (UNESCO) and Open University of Tanzania, and a Certificate in Design and Development of Large Scale Assessments from Education and Testing Services, Princeton, New Jersey. He is a fullbright fellow under the Hubert Humphrey Fellowship Programme, Vanderbilt University, USA.

Before being appointed as CEO, KNEC, Dr Njeng'ere was education advisor to the Cabinet Secretary, Ministry of Education, Prof George Magoha. He previously worked at KNEC and at the Kenya Institute of Curriculum Development (KICD). He was instrumental in conceptualization and design of Competency Based Curriculum (CBC) and Competency Based Assessment (CBA) approaches for the ongoing education reforms in basic and teacher education.

Dr. Njeng'ere has wide experience as an educationist and has been involved in many initiatives in education reforms at national, regional and global levels. He chaired some of the East African Community Technical Committees Sessions that culminated in the Framework for Harmonization of Education Systems and Curricula.

He has also been a resource person with the International Bureau of Education (UNESCO) on several assignments, including being a facilitator with the Government of Malaysia on curriculum-related issues.

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**PROF. CHARLES O. ONG'ONDO, PhD,
MBS**

DIRECTOR/CEO

Appointed on 25th September, 2020

Prof. Ong'ondo, PhD, MBS (57 years) is an Associate Professor in Teacher Education. He is the Director/Chief Executive Officer (**CEO**) at the Kenya Institute of Curriculum Development (**KICD**). He is a Commonwealth Academic Fellow and Scholar who holds a Postdoctoral Fellowship (University Warwick, UK), a PhD (the University of Leeds, UK), an M.Phil. Degree (Moi University, Kenya), a B.Ed. Degree (Moi University), and a Diploma in Education (Siriba Teachers College - Kenya). Before he joined KICD, Prof. Ong'ondo was the Executive Director of African Network for Internationalization of Education (**ANIE**). **ANIE** is a Pan-African professional organisation focusing on research, capacity building and harnessing partnerships in Higher Education. He also served as a Teacher Educator in the School of Education at Moi University - Kenya where he had worked for 16 years. Prior to joining the university as a lecturer, Charles had fifteen years' experience as a teacher of English Language and Literature in English at secondary school level in Kenya. He has (alone and jointly) published widely in English Language Teacher Education, Research Methodology and Communication Studies. He also serves as a reviewer for a number of international journals. Prof. Ong'ondo was a member of the *Taskforce on enhancing access, relevance, transition, equity and quality in curriculum reforms implementation in Kenya*. He has actively participated in Community Service as Chairman and member of Boards of Management; Adjudicator, Facilitator and Consultant in a number of National, Regional, County or Institutional events, conferences and festivals. Prof. is a member of several International Professional/Academic Associations including **ANIE**, International Association of English as Teachers of English as a Foreign Language (**IATEFL**), African Curriculum Association(**ACA**), among others.

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KICD COUNCIL DISTRIBUTION BY ETHNICITY

S/NO	ETHNIC GROUP	MALE	FEMALE	TOTAL	%
1.	KALENJIN	1		1	10
2.	KIKUYU	2	3	5	50
3.	KISII		1	1	10
5.	LUHYA	1		1	10
6.	KAMBA	2		2	20
	TOTAL	6	4	10	100

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III. MANAGEMENT TEAM



**PROF. CHARLES O. ONG'ONDO,
PhD, MBS**

DIRECTOR/CEO

Prof. Ong'ondo, PhD, MBS (57 years) is an Associate Professor in Teacher Education. He is the Director/Chief Executive Officer (**CEO**) at the Kenya Institute of Curriculum Development (**KICD**). He is a Commonwealth Academic Fellow and Scholar who holds a Postdoctoral Fellowship (University Warwick, UK), a PhD (the University of Leeds, UK), an M.Phil. Degree (Moi University, Kenya), a B.Ed. Degree (Moi University), and a Diploma in Education (Siriba Teachers College - Kenya). Before he joined KICD, Prof. Ong'ondo was the Executive Director of African Network for Internationalization of Education (**ANIE**). **ANIE** is a Pan-African professional organisation focusing on research, capacity building and harnessing partnerships in Higher Education. He also served as a Teacher Educator in the School of Education at Moi University - Kenya where he had worked for 16 years. Prior to joining the university as a lecturer, Charles had fifteen years' experience as a teacher of English Language and Literature in English at secondary school level in Kenya. He has (alone and jointly) published widely in English Language Teacher Education, Research Methodology and Communication Studies. He also serves as a reviewer for a number of international journals. Prof. Ong'ondo was a member of the *Taskforce on enhancing access, relevance, transition, equity and quality in curriculum reforms implementation in Kenya*. He has actively participated in Community Service as Chairman and member of Boards of Management; Adjudicator, Facilitator and Consultant in a number of National, Regional, County or Institutional events, conferences and festivals. Prof. is a member of several International Professional/Academic Associations including ANIE, International Association of English as Teachers of English as a Foreign Language (**IATEFL**), African Curriculum Association (**ACA**), among others.

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DR. JOEL MABONGA
SENIOR DEPUTY DIRECTOR
CORPORATE SERVICES

Dr. Mabonga holds Bachelors of Education Degree (KU), Masters of Philosophy Degree (Moi University) and PhD Educational Change Management (KU).



MR. JOHN G. KIMOTHO
SENIOR DEPUTY DIRECTOR
(MEDIA AND EXTENSION
SERVICES)

Mr. Kimotho holds a Postgraduate Diploma in Leadership in ICT and Knowledge Society – Dublin City University, Masters Degree in Communication (Media Studies) and currently pursuing PhD in Communication at Daystar University.

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MRS. JACQUELINE ONYANGO

**SENIOR DEPUTY DIRECTOR
(CURRICULUM AND RESEARCH
SERVICES)**

Mrs. Onyango holds a Masters Degree in Curriculum Studies from University of Nairobi; Bachelor of Education Degree from Kenyatta University; Certificate in Education Planning from the International Institute of Education (IIEP-UNESCO).

She is currently undertaking a PhD Degree in Curriculum Development at Moi University, Eldoret.

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KICD ETHNIC DISTRIBUTION AS AT 30TH JUNE, 2022

KICD Management Distribution by Ethnicity (Grade 5 and above)

S/NO	ETHNIC GROUP	MALE	FEMALE	TOTAL	%
1.	ASIAN	0	1	1	1.19
2.	EMBU	0	3	3	3.57
3.	KAMBA	6	5	11	13.09
4.	KIKUYU	11	17	28	33.33
5.	KISII	2	3	5	5.95
6.	LUHYA	6	4	10	11.9
7.	LUO	8	4	12	14.29
8.	MERU	4	4	8	9.52
9.	KALENJIN	1	3	4	4.76
10.	SOMALI	2	0	2	2.38
	TOTAL	40	44	84	100

KICD Distribution of Other Staff by Ethnicity (Grade 6 and below)

S/NO	ETHNIC GROUP	MALE	FEMALE	TOTAL	%
1.	EMBU	1	5	6	2.53
2.	KALENJIN	6	9	15	6.33
3.	KAMBA	12	12	24	10.13
4.	KIKUYU	30	50	80	33.76
5.	KISII	14	10	24	10.13
6.	LUHYA	16	16	32	13.5
7.	LUO	23	9	32	13.5
8.	MAASAI	2	0	2	0.84
9.	MERU	9	7	16	6.75
10.	TESO	0	1	1	0.42
11.	TAITA	2	3	5	2.11
	TOTAL	115	122	237	100

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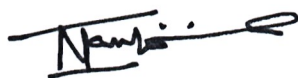
IV. CHAIRPERSON'S STATEMENT

The Kenya Institute of Curriculum Development in its resolute efforts to fulfil its mandate under the leadership of the Council, made great strides during the 2021/2022 Financial Year. The Institute in collaboration with the Ministry of Education and other stakeholders has remained focused particularly on curriculum reforms, to guarantee quality. This is in line with its mission of providing curricula and curriculum support materials through research and engagement to nurture every learner's potential for sustainable development.

The Institute is committed to prudent utilization of available resources, as the Institute weaves the curriculum aimed at producing a learner capable of fostering a skilled and ethical society. Indeed, this explains the holistic nature of the Competency Based Curriculum (CBC), which emphasizes on the 21st century skills that will enhance graduates' capacity to acquire competences requisite for job and wealth creation. This will be achieved through nurturing every learner's potential, which is key to realization of Kenya's Vision 2030.

The Council signed a Performance Contract and achieved the set targets. The Council embarked on strengthening the Institute's human resource capacity by filling various critical positions in line with the reviewed KICD organizational structure and staffing levels. The Council continues to support and promote professional and career growth of all staff in the Institute. In return, the Council expects the management to be innovative and focused in enhancing teamwork within the Institute.

Finally, I wish to thank the Government of Kenya for the support it has accorded the Institute during the 2021/2022 financial year.



**PROF. ELISHIBA NJAMBO KIMANI
COUNCIL CHAIRPERSON
KENYA INSTITUTE OF CURRICULUM DEVELOPMENT**

Date:18/04/2023.....

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V. REPORT FROM THE CHIEF EXECUTIVE OFFICER

During the 2021/2022 financial year, the Institute continued with implementation of Curriculum Reform. Key milestones were achieved toward provision of curriculum that is utilized in basic and tertiary education institutions. These include development of 50 curriculum designs for learners in Grade 10; finalisation of 3 modules of Diploma Curriculum in Hair Dressing and Beauty Therapy; development of 3 syllabuses for Witness Protection Agency, Adapted 64 curriculum designs to suit learners with special needs; Mainstreaming Consumer education, financial literacy, Global Citizenship Education, General History of Africa, Digital literacy, among others during the development of 50 Grade 10 curriculum designs for senior secondary and Teacher Education; The Institute also finalized Scope and sequence charts for Senior Secondary (Grades 10-12) for 50 subjects namely Advanced Mathematics, Applied Agriculture, Animal Production, Applied Arts, Arabic, Aviation Technology, Biological Sciences, Biology, Building Construction, Business Studies, Chemistry, Communication skills, Community Service Learning, Computer Science, CRE, Crop Production, Dance, Electrical Installations, Electrical Technology, English, Fashion and Interior Decor, Fasihi ya Kiswahili, Fine Arts, French, General Mathematics, Geography, German, Hair Dressing and Beauty Therapy, Health, Foods and Nutrition, History and Citizenship, Home & Hospitality Management, HRE, ICT, Indigenous Languages, IRE, Kiswahili, Leather Work, Literature in English, Mandarin, Metal Work, Music, Physical Education and Health, Physical Sciences, Physics, Power Mechanics, Sports Science, Textile Design Technology, Visual Arts, Welding and Fabrication, and Wood Technology.

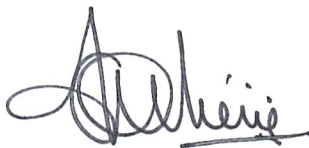
The Institute also undertook the capacity building for Competency Based Curriculum implementers (head teachers, teachers, teacher trainers and field officers). A total of 150,225 curriculum implementers were capacity built during the period under review.

The Institute also continued to provide Curriculum Support Materials for Basic and Tertiary Education during the period under review. In order to achieve this, the Institute completed curation of 168 interactive digital items for Grade 5 which were submitted by e-contents developers namely e-kitabu, Nabu, Paukwa and Dawati. The digital items developed were disseminated through Kenya Education Cloud; The Institute also developed 11 prototype materials and finalized Grade 6 and 20 teachers' handbooks in 18 learning areas; The Institute also designed, developed and produced 520 electronic curriculum support materials as a mitigation measure for over 15 million learners in basic education affected by COVID-19 pandemic. The evaluation of Grade 6 course materials was also undertaken. In order to support digital learning, the Institute produced and broadcasted 276,356 programmes through Radio and TV Channel and e-content dissemination through Kenya Education Cloud (KEC). 3 Orientation Manuals for Language activities for teachers in Early Years Education were developed and adaption of 3 Early years Language activities course books to suit learners with special need was carried out.

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In order to strengthen the institutional capacity, the Institute carried skills gaps analysis and training need assessment, and execute interventions to address the identified skills gaps and training needs through, recruitment, outsourcing, capacity building and training.

Going forward, the Institute will continue to establish service delivery innovations and adoption of technology to ensure continued efficiency and effective service delivery.



**PROF. CHARLES O. ONG'ONDO, PhD, MBS
DIRECTOR/CHIEF EXECUTIVE OFFICER
KENYA INSTITUTE OF CURRICULUM DEVELOPMENT**

Date 14-04-2023

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**VI. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR
FY 2021/2022**

Specific Objectives	Performance achieved in FY 2021/22
<p>1. Provision of curriculum that is utilized in basic and tertiary education institutions</p>	<ul style="list-style-type: none"> i) Developed 50 curriculum designs for learners in Grade 10; ii) Developed 3 modules of Diploma Curriculum in Hair Dressing and Beauty Therapy; iii) Developed 3 syllabuses for Witness Protection Agency; iv) Adapted 64 curriculum designs to suit learners with special needs; v) Mainstreamed Consumer education, financial literacy, Global Citizenship Education, General History of Africa, Digital literacy, among others during the development of 50 Grade 10 curriculum designs for senior secondary and Teacher Education; vi) Scope and sequence charts for Senior Secondary (Grades 10-12) for 50 subjects namely Advanced Mathematics, Applied Agriculture, Animal Production, Applied Arts, Arabic, Aviation Technology, Biological Sciences, Biology, Building Construction, Business Studies, Chemistry, Communication skills, Community Service Learning, Computer Science, CRE, Crop Production, Dance, Electrical Installations, Electrical Technology, English, Fashion and Interior Decor, Fasihi ya Kiswahili, Fine Arts, French, General Mathematics, Geography, German, Hair Dressing and Beauty Therapy, Health, Foods and Nutrition, History and Citizenship, Home & Hospitality Management, HRE, ICT, Indigenous Languages, IRE, Kiswahili, Leather Work, Literature in English, Mandarin, Metal Work, Music, Physical Education and Health, Physical Sciences, Physics, Power Mechanics, Sports Science, Textile Design Technology, Visual Arts, Welding and Fabrication, Wood Technology, were developed; vii) 150,225 curriculum implementers were capacity built during the contract period 2021/22

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<p>2. Provision of Curriculum Support Materials for Basic and Tertiary Education</p>	<ul style="list-style-type: none"> i) Completed curation of 168 interactive digital items for Grade 5 which were submitted by e-content developers namely e-kitabu, Nabu, Paukwa and Dawati. The digital items developed were disseminated through Kenya Education Cloud; ii) Developed 11 prototype materials and finalized Grade 6 and 20 teachers' handbooks in 18 learning areas; iii) Designed, developed and produced 520 electronic curriculum support materials as a mitigation measure for over 15 million learners in basic education affected by COVID-19 pandemic. iv) Evaluation of Grade 6 course materials was undertaken; v) Broadcasted 276,356 programmes through Radio and TV Channel and e-content dissemination through Kenya Education Cloud (KEC); vi) Developed 3 Orientation Manuals for Language activities for teachers in Early Years Education; vii) Adapted 3 Early years Language activities course books to suit learners with special need;
<p>3. Strengthening Institutional Capacity</p>	<ul style="list-style-type: none"> i) Identified the annual staff training needs arising from the skills gap analysis; ii) Developed and implemented various training programmes to address the identified training needs; iii) Recruited new staff members to address the identified skills gaps in various functional areas; iv) 26 Staff of Supply and Chain Management and Departmental Heads trained on Implementation of Public Procurement Regulation 2020; v) All the employees were put on performance appraisal; vi) 58 Council Members, Management and Co-opted heads of sections were trained on Audit; vii) 2 Middle Managers undertook Senior Management Course; viii) 1 officer attended Senior Leadership Course at Kenya School of Government; ix) 2 officers were trained on National Cohesion and Values at Kenya School of Government (KSG); x) 4 staff in Human Resource department participated in the 25th Annual National HRM Conference; xi) 5 officers from internal audit department attended Seminar for Internal Audit CPD Points;

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	<p>xii) 1 Front Office Officer attended the Annual PR Summit in Mombasa;</p> <p>xiii) 1 Marketing Officer attended Annual Marketer's Conference in Mombasa;</p> <p>xiv) 1 Marketing Officer attended Social Media Workshop in Machakos;</p> <p>xv) 7 Procurement Officers attended Procurement Workshop for CPD in Mombasa;</p> <p>xvi) 15 officers from Finance and Accounts department attended Finance and Accounts seminar for CPD Points;</p> <p>xvii) 2 Records Officers attended Records Management Workshop for CPD;</p> <p>xviii) 1 Curriculum Development officer in Counselling participated in Mediation Training;</p> <p>xix) 3 officers were trained on Excel Modelling, power query fundamentals and data analytics;</p> <p>xx) 3 officers attended Tax Compliance Strategies and implications of the Finance in Mombasa;</p> <p>xxi) 12 staff due for retirement attended Retirement and Pension Planning Seminar at Kenya School of Government (KSG);</p> <p>xxii) 1 officer attended Pension Planning and Retirement Seminar in Zanzibar;</p> <p>xxiii) 64 staff members were trained on different continuous professional development course;</p> <p>xxiv) 3 HRM Officers were trained on Designing Employee Assistance;</p> <p>xxv) 168 youth were offered with industrial attachment and internship;</p> <p>xxvi) Carried out sensitization of the staff on Prevention of HIV/AIDS Infections, Prevention of Alcohol and Drug Abuse; Gender Mainstreaming; Disability Mainstreaming, Road Safety Mainstreaming and Corruption Prevention</p>
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VII. CORPORATE GOVERNANCE STATEMENT

Good corporate governance is integral in enabling the Institute to interact with both internal and external stakeholders. Corporate governance entails the systems, processes and structures used to direct and manage the affairs of the Institute and delineate the respective roles of the Council and management and the framework of internal controls. The Council and the management regard good corporate governance as pivotal to the success of the Institute, and is committed to ensuring there is strict adherence to these processes.

(1) Number of Board meetings held

During the period under review, the Board held the following number of meetings. Requisite approvals were obtained to hold the extra number of meetings as per the provisions of section A (1) to (3) of circular Ref. NO:OP/CAB.9/1A on Management of State Corporations.

NO.	NAME OF COMMITTEE/BOARD MEETINGS	NUMBER OF MEETINGS
1.	Council meetings	15
2.	Curriculum technical	5
3.	Human Resource & Governance Committee	10
4.	Finance Strategy & General Purpose Committee	7
5.	Audit Committee	6
	TOTAL	43

The attendance to those meetings by members,

Section 3 of the second schedule of the KICD, Act No. 4 of 2013(revised 2018) provides that the quorum for the conduct of business at a meeting of the Council shall be half the number of the members of the council. During the financial year 2021/22, all the Council meetings and Committee meetings met the requirements of section 3 of schedule 2 of the KICD Act, No. 4 of 2013(revised 2018). The details of the members who attended the respective meetings were captured in the respective minutes of meetings held during the year 2021/2022FY.

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Succession Plan

Section 4.19 of the KICD Council provides that the Council shall put in place a succession plan for both the Council and management and review the same regularly. Section 5(2)(f) of the KICD Act provides that the following members appointed by the Cabinet Secretary:

- (i) one person to represent public universities;
- (ii) one person from the private sector;
- (iii) one person nominated by the Kenya Primary Schools Head Teachers Association;
- (iv) one person nominated by Kenya Secondary Schools Head Teachers Association;

The appointment of the aforementioned members by the Cabinet Secretary has been cascaded in order to ensure continuity and smooth transaction of KICD Council's roles and responsibilities.

Existence of Board Charter

The KICD Council approved its board charter during its meeting held on 19th June, 2021 in line with the provisions of Mwongozo, Code of Governance for State Corporations.

Process of Appointment and Removal of Council members,

Section 3.4 of the KICD Council Charter provides that the relevant appointing authority shall select and appoint KICD Council members. Every appointment shall be by name and by notice in the Kenya Gazette or nomination by a body mandated to do so in accordance with the KICD Act, No. 4 of 2013 (revised 2018) but shall cease if the Council member:

- (i) Serves the appointing authority with written notice of resignation; or
- (ii) Is absent, without the permission of the Chairperson, from three consecutive meetings; or
- (iii) Is convicted of an offence by a court of competent jurisdiction and sentenced to imprisonment for a period exceeding six months without the option of a fine; or
- (iv) Is incapacitated by reason of infirmity of body or mind; or
- (v) Is otherwise unable or unfit to discharge the functions of the Council; or
- (vi) If the member dies.

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Roles and functions of the Board

Section 4.1 of the KICD Council charter provides that:

- a) The basic responsibility of KICD Council members is to exercise their best judgment and to act in a manner that they reasonably believe to be in the best interest of the Institute and its stakeholders. In discharging that obligation, the members shall rely on the honesty and integrity of the Institute's Management, staff and its external professional advisors and auditors.
- b) In furtherance of its responsibilities, Council shall have the power to:
 - i) Create, develop, apply for and hold intellectual property rights and enter into agreements or arrangements for their commercial exploitation or otherwise as the Council may consider appropriate;
 - ii) Enter into any arrangement with education and training institutions or professional organizations, whether within or outside Kenya;
 - iii) Manage, supervise and administer the assets of the Institute in such a manner as best promotes the purpose for which the Institute is established;
 - iv) Determine the provisions to be made for capital, recurrent expenditure and for reserves of the Institute; receive any grants, gifts, donations or endowments on behalf of the institute and make legitimate disbursements therefrom;
 - v) Enter into association with such other bodies or organizations within or outside Kenya as the Council may consider desirable or appropriate and in furtherance of the purposes for which the Institute is established;
 - vi) Open a banking account or bank accounts for the funds of the Institute;
 - vii) Constitute working panels and committees for the purpose of the performance of the functions of the Institute;
 - viii) Approve all curricula developed or vetted by the Institute; and
 - ix) Do any other thing which is necessary or convenient to be done in connection with or incidental to its functions.

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Board and member performance,

The board was evaluated 14th July 2022 by officials from *State Corporations Advisory Committee* (SCAC). The overall performance of the board will be shared with the board during its next regular meeting once the analysis by SCAC is completed.

Conflict of interest

During 2021/2022FY, a no-conflict-of-interest register was kept by the Ag. Corporation Secretary and none of the members declared any conflict of interest in any of the agenda items that were presented for deliberations and guidance by the Council.

Board remuneration,

Board was remunerated as per the prevailing SCAC guidelines on the remuneration of board members.

Ethics and Conduct

The board approved a board charter in its meeting held on 19th June 2021 that stipulated the code of conduct to be observed by the Council members.

Governance audit.

According to section 4.20 of the board charter, a governance audit is expected to be carried out on an annual basis. However, during the period under review, the board experienced the transition of its: Secretary (KICD Director) and Chairperson of the Council. In view of this governance audit for the financial year 2021/22 was not undertaken. However, the board in its approved work plan for 2022/23 approved a governance audit to be undertaken for the previous financial year.

Good corporate governance is integral in enabling the Institute to interact with both internal and external stakeholders. Corporate governance entails the systems, processes and structures used to direct and manage the affairs of the Institute and delineate the respective roles of the Council and management and the framework of internal controls. The Council and the management regard good corporate governance as pivotal to the success of the Institute, and is committed to ensuring there is strict adherence to these processes.

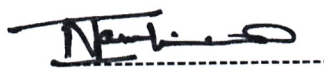
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The Institute achieves good corporate governance by using a risk-based approach to establish a system of internal controls and by reviewing the effectiveness of the system on a regular basis. The Kenya Institute of Curriculum Development has formulated and implemented sound internal corporate governance guidelines, which spell out the responsibilities of management and the Council.


The Council has established Committees to assist in the implementation of its policy guidelines and strategy. These Committees meet regularly and are chaired by non-executive Council members. The Committees submit their report to the full Council for adoption and approval. All the non-executive Council members are independent of management and free from any business or other relationship, which may materially interfere with the exercise of their judgment.

The Council meets regularly and has a formal schedule of its matters. Currently, the Council comprises of ten (9) non-executive members and the KICD Director/Chief Executive Officer. The full Council meets at least four times in a year.

Prof. Elishiba Njambi Kimani
Council Chairperson



Signature

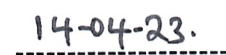


Date

Prof. Charles O. Ong'ondo, PhD, MBS
Director/Chief Executive Officer



Signature



Date

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VIII. MANAGEMENT DISCUSSION AND ANALYSIS

SECTION A: OPERATIONAL AND FINANCIAL PERFORMANCE

The Kenya Institute of Curriculum Development (KICD) is State Corporation charged with the critical mandate of developing curricula and curriculum support materials for all levels of education below the university. The Institute relies on the Government grant to support its activities. The grant is mostly used to cater for staff salaries and to undertake core activities.

In the 2021/2022 financial year, the Institute continued with implementation of Curriculum Reform. In order to ensure continuity of essential services, the Institute had to reorganize its mode of service delivery following the confirmation of COVID-19 pandemic. The Institute continued to undertake containment measures as advised by the Government to mitigate the spread of the Virus.

During the financial year under review, key milestones were achieved. These include completion of Curriculum Designs for Grade 7,8 and 9; Evaluation of the course books and teachers guides in readiness for roll out of CBC in Grade 7.

The Institute also undertook the capacity building for Competency Based Curriculum implementers (head teachers, teachers, teacher trainers and field officers). A total of 150,225 curriculum implementers were capacity built during the period under review.

During the financial year 2021/2022, the Institute continued disseminating Radio and Television (TV) programmes, as well as development and dissemination of digital content in the various subjects.

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During this financial year, the Institute received Grant transfers from the Ministry of Education as follows;

Type of grant	2022 KSH '000'	2021 KSH '000'	2020 KSH '000'
Operational grant- Normal	803,358	775,839	803,358
Development Grant	50,000	50,000	157,000

During the financial year, the Institute internally raised revenue as follows:

Type of revenue	2022 KSH '000'	2021 KSH '000'	2020 KSH '000'
Appropriation in Aid (A-I-A)	316,574,402	209,159,334	373,838,617

SECTION B: COMPLIANCE WITH STATUTORY REQUIREMENTS

During the financial year the Institute complied with all the statutory requirements which included tax compliance, pension deduction and remittance, medical deductions and remittance among others.

SECTION C: KEY PROJECTS AND INVESTMENT DECISIONS THE ENTITY IS PLANNING/IMPLEMENTING

During the financial year, the Institute has been carrying out one Capital project, namely, Educational Resource Centre, which is solely funded by the Government of Kenya and is at phase 1. The phase one is estimated to be 88% complete.

SECTION D: MAJOR RISKS FACING THE ENTITY

The Institute has developed a Risk Framework Policy to be guide its operations.

Risk Management

A risk analysis conducted while developing the KICD 2020-2025 strategic plan identified potential risks that may affect the achievement of strategic objectives and the possibility of each occurring. Appropriate mitigation measures have also been developed to address each risk with the aim of minimising the possibility of the risk occurring and also to minimise its consequences if it does occur.

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IX. ENVIRONMENT AND SUSTAINABILITY REPORTING

The Kenya Institute of Curriculum Development (KICD) exists to transform lives in the education sphere. The Institute is a driving force in nurturing every learner's potential as it executes its mandate of developing curricula and curriculum support materials informed by research to all levels of education below the university.

Guided by its Service Delivery Charters, KICD always values its stakeholders. It puts the customer's interest first as it strategically delivers relevant goods and services and continuously improves on its operational excellence.

Below is an outline of the organisation's policies and activities that promote Corporate Social Responsibility (CSR).

Over the years, KICD has endeavoured to partner with its stakeholders to champion a cause that is likely to have a positive impact on society. During the 2021/2022 Financial Year, as it gives back to society, the Institute participated in a tree planting exercise in response to a Presidential directive on 'National Strategy for Achieving and maintaining over 10% Tree Cover by 2022,' which was issued on January 5, 2019, and runs up to June 30, 2022. KICD planted 1158 tree seedlings at Pangani and Racecourse Primary Schools in Nairobi on May 17, 2021, in response to the directive that is captured in the Institute's performance contract. Following the directive, KICD is also expected to set aside funds for afforestation support.

The trees were purchased from the Kenya Forest Service (KFS) and were planted under the professional guidance of a representative from the service. The learners who participated in the planting exercise alongside their teachers, KICD staff and representatives from the Provincial Administration and the Ministry of Education were challenged to adopt the trees and maintain them under the supervision of their teachers.

The event also created an opportunity for KICD to enhance its corporate brand image by sharing pertinent information about the ongoing curriculum reforms. Information, Education and Communication (IEC) materials; Pamphlets and brochures on Competency Based Curriculum (CBC) were shared out with the schools and the general public. The participants wore the branded

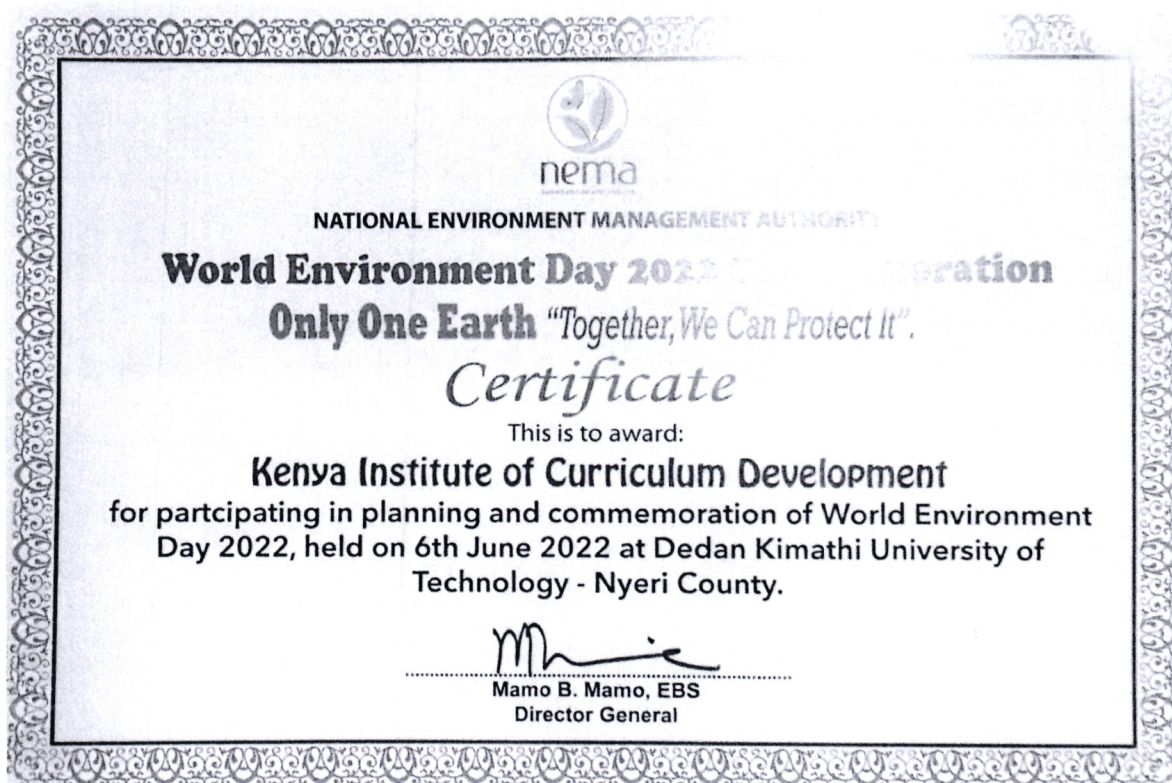
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KICD t-shirts for brand visibility. The Institute also provided watering cans for the two schools to be able to take care of the planted trees.

The Institute also participated in the World Environmental Day 2022 Commemoration that was organized by the National Environmental Management Authority (NEEMA) in Nyeri County on June 6, 2022, as per the attachment in Appendix 1.

These engagements were important as they enhanced information sharing on CBC besides, supporting the government's aspiration to achieve its programmes. The KICD staff engaged freely with the stakeholders and the public passing relevant information on the CBC implementation.

World Environmental day 2022 Certificate



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Tree Planting Exercise



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X. REPORT OF THE COUNCIL

The Council submit their report together with the financial statements for the year ended June 30, 2022, which show the state of the Institute's affairs.

i) Principal activities

The Institute is mandated through KICD Act No. 4 of 2013 (Revised 2018), amended (2020) to develop curriculum and curriculum support materials informed by research for basic and tertiary education and training. The Institute's vision is "A skilled and ethical society" while mission is "To provide curricula and curriculum support materials through research and engagement to nurture every learner's potential for sustainable development". The tagline is "Nurturing Every Learner's Potential".

ii) Results

The results of the entity for the year ended June 30, 2022, are set out on page 1

iii) Directors

The members of the Council who served during the year are shown on page Viii to Xiii. During the year no Council member retired or resigned.

iv) Auditors

The Auditor General is responsible for the statutory audit of the Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 The Auditor General carried out the audit of the Institute for the year ended June 30, 2022 in accordance to section 23 of the Public Audit Act, 2015.

By Order of the Council.

<u>Prof. Charles O. Ongondo</u>	<u></u>	<u>14-04-2023</u>
Name	Signature	Date
Corporate Secretary/Secretary to the Council		

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XI. STATEMENT OF COUNCIL'S RESPONSIBILITIES

Section 14 of the State Corporations Act requires the Institute to prepare financial statements in respect of the Institute, which give a true and fair view of the state of affairs of the Institute at the end of the year, and the operating results of the Institute for that year. The Council is also required to ensure that the Institute keeps proper accounting records which disclose, with reasonable accuracy the financial position of the Institute. The Council is also responsible for safeguarding the assets of the Institute.

The Council is therefore, responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the year ended June 30th, 2020. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Institute;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material mis-statements, whether due to error or fraud;
- (iv) safeguarding the assets of the Institute;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable under circumstances.

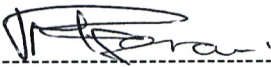
The Council accepts responsibility for the Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act and the State Corporations Act. The Council is of the opinion that the Institute's financial statements give a true and fair view of the state of Institute's transactions during the financial year ended June 30th, 2021, and of the Institute's financial position as at that date. The Council further confirms the completeness of the accounting records maintained by the Institute, which have been relied upon in the preparation of the Institute's financial statements, as well as the adequacy of the systems of internal financial controls.

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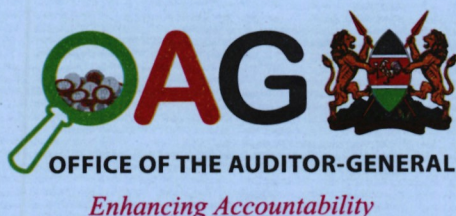
Nothing has come to the attention of the Council to indicate that the Institute will not remain a going concern for at least next twelve months from the date of this statement.

Approval of the financial statements

The draft annual Report and financial statements for the year ended 30th June, 2022 were presented to the Council and approved during the meeting held on

Prof. Elishiba Njambi Kimani Chairperson	 ----- Signature	<u>18/04/2023</u> Date
Ms. Florence Ngarari Member	 ----- Signature	<u>18-04-2023</u> Date
Prof. Charles O. Ong'ondo Director/Chief Executive Officer	 ----- Signature	<u>14-04-2023.</u> Date

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON KENYA INSTITUTE OF CURRICULUM DEVELOPMENT FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kenya Institute of Curriculum Development set out on pages 1 to 28, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of the Kenya Institute of Curriculum Development as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kenya Institute of Curriculum Development Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Non-Disclosure of Textbooks by Publishers Costs

The statement of financial performance and as disclosed in Note 15 of the financial statements reflects donor/partner expenditure of Kshs.6,648,671,000. The amount includes Kshs.5,841,441,000 in respect of Ministry of Education textbooks which includes contracted cost of Kshs.3,073,284,141 to several publishers for the supply of various textbooks that were to be produced and distributed between 18 February, 2022 and 31 May, 2023. However, the expenditure on the supply of textbooks was neither reported in the financial statements nor disclosed casting doubt as to whether the Publishers supplied the textbooks.

In the circumstances, the accuracy and occurrence of expenditure on textbooks amounting to Kshs.3,073,284,141 for the year ended 30 June, 2022 could not be confirmed.

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

Emphasis of Matter

Long Outstanding Debtors

The statement of financial position and as disclosed in Note 21 to the financial statements reflects a balance of Kshs.142,055,000 in respect of receivables from exchange transactions. Included in the balance is long outstanding balances of Kshs.17,390,660 dating back to 2018. Management did not provide evidence of measures taken to recover outstanding debts. Further, Management has not

requested for approval for the write-off of the long outstanding debts in line with bad and doubtful debt policy as approved by the Council.

In the circumstances, the recoverability of the long outstanding debts balance of Kshs.17,390,660 as at 30 June, 2022 could not be confirmed.

Key Audit Matters

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

Other Matter

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 the issues nor given any explanation for the failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on 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

1.0 Construction of Education Resource Centre

The statement of financial position reflects property, plant and equipment net book value balance of Kshs.4,446,603,000 as disclosed in Note 24 to the financial statements. Included in the amount is work in progress balance of Kshs.1,271,340,000 in respect of uncompleted Education Resource Centre. The contractor was awarded the contract number KIE/14/2012-2013 for the Construction of the Kenya Institute of Curriculum Development Resource Centre on 3 May, 2013 at a contract sum of Kshs.786,583,507. The contract period was ninety-one (91) weeks. Cumulatively, the contractor has been paid an amount of Kshs.678,373,195 being 86% of the project costs. However, the project had stalled due to none remittance of the development funds to the Institute despite inclusion of the works in the annual budget. The following issues were noted: -

- i. The performance insurance guarantee had expired. Management had not made arrangements with the contractor to renew the guarantee;

- ii. The works had stalled due to slow disbursement of funds by The National Treasury; and,
- iii. The contractor had abandoned site at the time of the audit.

In the circumstances, value for money for the construction of the Education Resource Centre (ERC) has not been realised.

2.0 Non-Publicization of Tenders Awarded

The statement of financial performance and as disclosed in Note 15 of the financial statements reflects an amount of donor /partner expenditure of Kshs.6,648,671,000 which includes an amount of Kshs.5,841,441,000 in respect of Ministry of Education text books. During the year under review, the Institute contracted suppliers for the supply of text books amounting to Kshs.3,169,279,221. However, the complete information of all the tenders awarded was not publicized in either their website, Public Procurement Regulatory platform or in any official Government publication contrary to the Executive order No.2 of 2018.

In the circumstances, Management was in breach of the Executive order No.2 of 2018.

3.0 Non-Adherence to the Procurement Threshold

The statement of financial position and as disclosed in Note 24 to the financial statements reflects a balance of Kshs.4,446,603,000 on property, plant and equipment. Included in the expenditure is additions to property, plant and equipment of Kshs.48,996,000. Review of the sampled payment vouchers and the supported documentation revealed that the Institute paid a total of Kshs.4,861,598 for purchase of microphones through procurement by quotations. The expenditure was above the maximum level of expenditure of Kshs.3,000,000. Further, the same supplier was further awarded another contract of Kshs.2,045,515 for the supply of the same items using the same quotation.

In the circumstances, Management was in breach of law.

4.0 Delay in Implementation of the Secondary Education Quality Improvement Project Activities

The statement of financial position reflects a balance of Kshs.1,541,307,000 in respect of deferred income-donors/partners as disclosed in Note 28 to the financial statements. Included in the expenditure is an amount of Ksh.241,826,000 in respect of Secondary Education Quality Improvement Project (SEQIP) funds. Examination of the ledgers reflects that the Institute received an amount of Kshs.60,000,000 on the 8 June, 2021 via Memo Ref: MOE.CONF/G6/31/VOL.IV/51 for County dialogues targeting all the forty-seven (47) Counties. The exercise was scheduled for June, 2021. However, as at the time of audit in the month of January, 2023, the exercise had not been undertaken and the funds had not been returned to the consolidated fund.

In view of the above, value for money has not been realised from the funds allocated to the project. Further, there is risk that the funds may be reallocated to other uses or misuse since they are not re-budgeted and not part of a current year budget.

5.0 Non-Inclusion of Textbooks Purchase in the Procurement Plan

The statement of financial performance reflects an amount of donor /partner expenditure of Kshs.6,648,671,000 as disclosed in Note 15 of the financial statements. Included is an amount of Kshs.5,841,441,000 in respect of Ministry of Education text books. However, there was no procurement plan for the textbooks procured within the financial year. Further, it was noted that the State Department for Early Learning and Basic Education transferred an amount of Kshs.6,894,104,000 to the Institute which was also not included in the State Department's work plan. No explanation was provided for the non-inclusion of the expenditure in the work plan. This was contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which provides that an Accounting Officer shall prepare an annual procurement plan which is realistic in a format set out in the Regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

In the circumstances, Management was in breach of law.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

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 overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

07 June, 2023

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
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XIII. STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June, 2022

		2022	2021
	Note	KSH '000'	Restated KSH '000'
Revenue from non-exchange transactions			
Funding from donors/partners	4	6,648,671	3,002,722
Transfers from Governments	5	<u>803,358</u>	<u>775,839</u>
		7,452,029	3,778,561
Revenue from exchange transactions			
Net surplus from NRC	6	(1,462)	(4,604)
Rental revenue from staff quarters	7	86	83
Finance income - external investments	8	191,999	140,486
Other income	9	125,798	73,195
		<u>316,420</u>	<u>209,160</u>
Total revenue		7,768,450	3,987,721
Expenses			
Employee costs	10	645,632	613,302
Expenses of the Council	11	14,973	11,501
Depreciation and amortization	12	77,272	74,307
Repairs and maintenance	13	18,313	31,991
Programme areas services	14	158,051	197,854
Donors/partners expenditure	15	6,648,671	3,002,722
General operational expenses	16	126,783	122,751
Total expenses		<u>7,689,695</u>	<u>4,054,428</u>
Other Gain/(Losses)			
Gain on sale of assets	17	-	83
Gain on foreign exchange transactions	18	2,031	188
(Deficit)/surplus before tax		<u>80,786</u>	<u>(66,437)</u>
Taxation	19	36,873	38,245
(Deficit)/surplus after tax		<u>43,913</u>	<u>(104,682)</u>

The notes set out on pages 6 to 29 form an integral part of the Financial Statements.

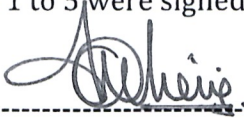
**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2022**

**XIV. STATEMENT OF FINANCIAL POSITION
As at 30 June, 2022**

Assets		2022	2021
Current assets		KSH '000'	Restated KSH '000'
Cash and cash equivalents	20	2,965,477	1,882,265
Current portion of receivables from exchange transactions	21	142,055	118,690
Current portion of receivables from non- exchange transactions	22	94,269	446,258
Inventories	23	75,615	81,910
		3,277,416	2,529,123
Non-current assets			
Property, plant and equipment	24	4,446,603	4,490,172
Intangible assets	25	1,685	5,710
		4,448,288	4,495,882
Total assets		7,725,704	7,025,005
Current liabilities			
Trade and other payables from exchange transactions	26	121,609	148,820
Refundable deposits from customers	27	972	972
Deferred income – donors/partners	28	1,541,307	778,468
Provision on taxation	29	112,711	231,145
Total liabilities		1,776,599	1,159,405
Net assets			
Capital reserves	30	4,449,391	4,399,391
Accumulated surplus	31	1,499,714	1,466,209
		5,949,105	5,865,600
Total net assets and liabilities		7,725,704	7,025,005

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

Prof. Charles O. Ong'ondo, PhD, MBS
Director/Chief Executive Officer




Signature

14-04-2023

Date

Dr. Solomon M. Kathuo
Head of Finance & Accounts

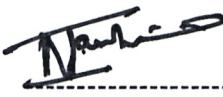


Signature

14/04/2023

Date

Prof. Elishiba Njambi Kimani
Council Chairperson



Signature

18/04/2023

Date

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
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**XV. STATEMENT OF CHANGES IN NET ASSETS
For the year ended 30 June, 2022**

	Notes	Capital reserve KSH '000'	Accumulated surplus Restated KSH '000'	Total KSH '000'
Balance as at 30 June, 2020		4,349,391	1,570,891	5,920,282
Surplus for the period	31	-	(104,682)	(104,682)
Capital Grant ERC	33	50,000	-	50,000
Balance as at 30 June, 2021		4,399,391	1,466,209	5,865,600
Prior year Adjustment	31		(10,407)	(10,407)
Surplus for the period	31	-	43,913	43,913
Capital Grant ERC	33	50,000	-	50,000
Balance as at 30 June, 2022		4,449,391	1,499,714	5,949,105

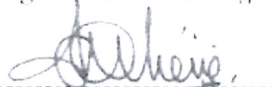
**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
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**XVI. STATEMENT OF CASH FLOWS
For the year ended 30 June, 2022**

	Notes	2022	2021 Restated
Cash flows			
from Operating Activities			
Surplus(Deficit) for the year	31	43,913	(104,682)
Add back Depreciation/Amortization	12	96,591	92,884
less: Gain on Disposal	17	-	83
Operating surplus before working capital changes		140,503	(11,881)
Working Capital Adjustments			
(Increase)/Decrease in trade Receivables	21	(23,364)	(56,769)
(Increase)/Decrease in non-exchange Receivables	22	351,989	(446,257)
Increase(Decrease) in Deferred Income	28	762,838	170,209
Increase/(Decrease) in Trade payables	26	(27,211)	(4,304)
Increase/(Decrease) in Trade payables -taxation	29	(118,434)	38,245
(Increase)/Decrease in Inventory	23	6,295	(13,998)
Net cashflows from operating activities		952,113	(312,874)
Cashflow from Investing Activities			
Work In Progress(ERC)	24	-	(1,500)
Purchase of property , Plant and Equipment	24	(48,996)	(143,716)
Proceeds from Property plant and equipment	17	-	345
Prior Year adjustment	32	(10,407)	-
Net cashflows from investing activities		(59,403)	(144,871)
Cash from Financing Activities			
Development Grant for ERC	33	50,000	50,000
Assets financed from Donor Grant			
Net cashflows from Financing activities		50,000	50,000
Net increase in the bank		1,100,607	(419,626)
Cash and cash equivalents at the beginning of the year		1,883,212	2,301,891
Cash and cash equivalents at the end of the year		2,965,477	1,882,265

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

Prof. Charles O. Ong'ondo
Director/Chief Executive Officer



Signature

14-04-2023

Date

Dr. Solomon M. Kathuo
Head of Finance & Accounts

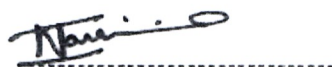


Signature

14/04/2023

Date

Prof. Elishiba Njambi Kimani
Council Chairperson



Signature

18/04/2023

Date

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2022**

XVII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of performance difference
	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	
	KSH '000'	KSH '000'	KSH '000'	KSH '000'	KSH '000'	
Revenue						
Funding from donors/partners	6,647,876	-	6,647,876	6,648,671	795	0%
Government grants and subsidies	803,358	-	803,358	803,358	-	0%
Income Generating Activities	<u>240,000</u>	-	<u>240,000</u>	<u>316,420</u>	<u>76,420</u>	32%
Total income	7,691,234	-	7,691,234	7,768,449	77,215	
Expenses						
Compensation of employees	650,000	-	650,000	645,632	4,368	1%
Expenses of the Council	15,000	-	15,000	14,973	27	0%
Depreciation and amortization	76,000	-	76,000	77,272	(1,272)	2%
Repair and maintenance	18,000	-	18,000	18,313	(313)	-2%
Programme areas	164,000	-	164,000	158,051	5,949	4%
Donor expenditure	6,647,876	-	6,647,876	6,648,671	(795)	0%
General Operational expenses	120,358	-	120,358	126,783	(6,424)	-5%
Other (Gains)/losses	-	-	-	(2,031)	2,031	
Taxation	-	-	-	36,873	(36,873)	
Total expenditure	7,691,234	-	7,691,234	7,724,537	(33,302)	
Surplus for the period	-	-	-	43,913	43,913	

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2022**

Budget notes

- i) The positive variance of **Ksh 76,420** under income generating activities was majorly due to increased interest earned from short term investments.

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2022**

XVIII. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2022

1. General information

KICD is established by and derives its authority and accountability from KICD Act No. 4 of 2013 (Revised 2018), amended (2020). The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to develop curriculum and curriculum support materials informed by research for basic and tertiary education and training.

2. Statement of compliance and basis of preparation

The Institute's financial statements have been prepared in accordance and compliance to International Public Sector Accounting Standards (IPSAS), Public Finance Management Act 2012 and State Corporations Act CAP 446. The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Institute and all values are rounded to the nearest thousand (KSH 000). The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The financial statements are prepared on accrual basis.

3. Summary of significant accounting policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
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Notes to the Financial Statements (continued)

ii) Revenue from exchange transactions

Rendering of services

The Institute recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Income from NRC

Revenue from the NRC operations is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the service, 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 Institute.

Interest income

Interest income is accrued using the effective yield method. This method 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 for each period.

b) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Institute. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or Institute differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
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Notes to the Financial Statements (continued)

c) Property, plant and equipment

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

d) Intangible assets

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

e) Provisions

Provisions are recognized when the Institute has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Institute expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The Institute effects specific and general provisions on doubtful debts. A specific provision for bad debts shall be made when the debtor is deceased, declared bankrupt, cannot be traced debtors or if the debt is outstanding for more than two years. A general provision of 5% of the remaining debtors shall be made.

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
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Notes to the Financial Statements (continued)

f) Inventories

Inventories (curricula and curriculum support materials) are measured at Current replacement cost as they are held for distribution to the learning institutions at a nominal charge.

g) Depreciation

Depreciation is calculated using the straight-line method to write down the cost or the valued amount of each asset to its residual value over its estimated useful life using the following annual rates. Work-in-progress is not subjected to depreciation.

Asset	Depreciation Rate (%)
Buildings	2.5
Motor Vehicles	25
Furniture and Fittings	20
Computers and Printers	30
Studio Equipment	5
Digital Equipment	10
Hotel Equipment	10
Tools and Equipment	20
Office Equipment	20
Printing Machinery	5
Generators	10

Amortization

Amortisation is calculated using straight-line method to write down the cost of each licence or item of software to its residual value over its estimated useful life using an annual rate of 30%.

h) Nature and purpose of reserves

The Institute creates and maintains reserves in terms of specific requirements. The Institute maintains revenue reserve and capital reserves. The revenue reserves are made up of the accumulated surpluses and deficits carried forward over the period of time. The capital reserves consists of development grant received for the construction of Education Resource Centre and the valuation amounts of fixed assets when the Institute valued the assets in 2019.

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Notes to the Financial Statements (continued)

i) Changes in accounting policies and estimates

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

j) Employee benefits

Retirement benefit plan

The Institute provides Defined contribution retirement benefits plan for its employees. This is a post-employment benefit plan under which the Institute 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 Institute and the employees contribute 20% and 10% of the basic pay respectively. It also contributes to the statutory National Social Security Fund (NSSF) whose rates are determined by Kenyan statutes. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

k) Gratuity

Entitlements to gratuity are recognized when they accrue to qualifying employees at 31% of the basic salary.

l) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Closing balance of bank account held in foreign currency is reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the translation of the closing bank balance at rates different from those at which transactions were initially recorded during the period, is recognized as income or expense in the period in which they arise.

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Notes to the Financial Statements (continued)

m) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash book balances, 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.

n) Comparative figures

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

o) Significant judgments and sources of estimation uncertainty

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

Estimates and assumptions

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

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Notes to the Financial Statements (continued)

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:

- i) The condition of the asset based on the assessment of experts employed by the Institute;
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- iii) The nature of the processes in which the asset is deployed;
- iv) Availability of funding to replace the asset; and
- v) Changes in the market in relation to the asset.

p) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30th, 2021.

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**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
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Notes to the Financial Statements (continued)

4. Funding from Donors/Partners

	2022	2021 (restated)
	KSH '000'	KSH '000'
MoE/Partners of Curriculum Reform	155,054	-
MoE – Digital Literacy Programme	226,650	-
SEQIP (Secondary Quality Impr. Programme)	247,382	513,637
MoE Text Books	6,894,104	2,224,100
KENYA COVID-19 EDUCATION RESPONSE	78,934	98,624
Other Donors/Partners	22,228	29,458
Total Funding from Donors/Partners	7,624,352	2,865,819

Reconciliation of public contributions and donations

Balance unspent at beginning of year	471,356	608,259
Current year receipts	7,624,352	2,865,819
Conditions met – transferred to revenue	(6,648,671)	(3,002,722)
Conditions to be met – remain liabilities	1,447,037	471,356

5. Transfers from Government

	2022	2021
	KSH '000'	KSH '000'
Unconditional grants		
Operational grant	803,358	775,839
Total government grants and subsidies	803,358	775,839

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Notes to the Financial Statements (continued)

6. Segment Information

The Institute operates National Resource Centre (NRC) to generate income. Income from NRC operations in the Statement of Financial Performance were arrived as follows:

	2022	2021
	KSH '000'	(restated) KSH '000'
Revenues		
Accommodation	46,457	61,258
Hiring	73	24
Food and Beverages	72,328	39,986
Business Centre	38	64
Other Incomes	1,414	1,216
	<u>120,310</u>	<u>102,548</u>
Less. Expenditure		
Staff Cost	9,304	6,880
Administration Expenses	8,668	10,243
Operating Expenses	86,355	80,599
Depreciation charge	19,318	18,576
Total Operating Expenses	<u>123,645</u>	<u>116,298</u>
Operating Surplus	<u>(3,335)</u>	<u>(13,750)</u>
Interest Income	1,873	9,146
Net(deficit) Income	<u>(1,462)</u>	<u>(4,604)</u>

7. Rental Revenue from Staff Quarters

Rent receipts	86	83
Total rentals	<u>86</u>	<u>83</u>

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Notes to the Financial Statements (continued)

	2022	2021 (restated)
	KSH '000'	KSH '000'
8. Finance Income - External Investments		
Interest on Fixed Deposit Receipts	73,978	88,210
Interest on Call and Current Account	118,021	52,276
Total finance income - external investments	191,999	140,486
9. Other Income		
Sale of Curriculum Support Materials	31,260	12,415
Income from Book review/Curation	92,850	44,653
Sale of Tenders	2	711
Consultancy	788	7,833
Income from printing /photocopying	31	617
Miscellaneous Revenue	-	665
Decrease in provision for doubtful debts	-	6,300
Hire of EMS Equipment	867	-
Total Other Income	125,798	73,195
10. Employee Costs		
Employee related costs - salaries and wages	351,165	337,982
Employee related costs - contributions to pensions	64,068	61,312
Medical Cover	57,008	48,210
Commuter Allowances	34,223	33,105
Leave Allowances	8,263	7,481
Housing Allowances	127,665	121,485
Ex-gratia	1016	818
Gratuity	2,224	2,677
Employee costs	645,632	613,070

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Notes to the Financial Statements (continued)

	2022	2021
	KSH '000'	(restated) KSH '000'
11. Expenses of the Council		
Honoraria	709	605
Sitting Allowance/Travel	14,264	10,896
Total Councils' Remuneration	14,973	11,501
12. Depreciation and Amortization		
Property, plant and equipment	92,566	88,819
Intangible assets	4,024	4,065
Total depreciation and amortization	96,590	92,884
Property, plant and equipment- Accounted under note 6	(19,318)	(18,577)
Depreciation and amortization for KICD	77,272	74,307
13. Repairs and Maintenance		
Property	5,067	20,107
Equipment	8,003	8,450
Vehicles	5,243	3,434
Total repairs and maintenance	18,313	31,991
14. Programme Areas Services		
Basic Education	276	139
Special Programmes	1,646	176
Corporate Communication	1,568	1,008
Technical, Vocational, Entrepreneurship training	2,059	1,387
Educational Resources	-	143
Electronic and Emerging Media	11,302	19,774
Text Book Evaluation	73,388	39,593
Taskforce on curriculum reform	3,419	38,531
Consultancy fees	-	-
Research Monitoring and Evaluation	396	2,605
*School broadcast	52,550	80,786
*KICD Broadcasting Chanel	11,447	13,065
*Artist fees	-	647
Total Programme Areas Services	158,051	197,854

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Notes to the Financial Statements (continued)

15. Donors/Partners Expenditure

	2022	2021 (restated)
	Ksh '000'	Ksh '000'
MoE -Curriculum Reform	277,126	65,797
MoE -Digital Literacy Program	96,954	63,795
SEQIP	326,949	204,692
MoE Text Books	5,841,441	2,554,830
Kenya Covid-19 Education Response	86,635	90,923
Other Donors/ Partners' Expenses	19,566	22,685
Total Donors/Partners Expenditure	6,648,671	3,002,722

16. General Operational Expenses

Advertising	2,998	8,048
Admin Expenses	34,455	25,104
Travelling Expenses	2,661	232
Audit Fees	928	928
Computer Expenses and Software Licence	9,514	14,383
Library Expenses	350	337
Electricity	7,737	6,397
Fuel and Oil	9,804	9,319
Insurance	5,642	5,355
Legal Expenses	2,710	2,241
Corporate Social Responsibility	346	-
Fungicides	-	1,079
Water	149	17
Postage	9	10
Printing and Stationery	19,220	16,197
Maintenance of VCT Services	1,069	529
Purchase of Supplies for Production	6,373	8,337
Bank Charges	1,658	1,104
Telecommunication	2,771	2,959
Training	8,649	7,000
Hire of Security	5,148	5,136
ERP support	-	2,301
COVID	2,632	4,892
Others	1,960	1,077
Total General Operational Expenses	126,783	122,982

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Notes to the Financial Statements (continued)	2022 Ksh '000'	2021 (restated) Ksh '000'
17. Gain on sale of Asset		
Gain on disposal	-	83
18. Gain on foreign exchange Transactions		
Gain from Foreign Exchange	2,031	188
19. Taxation		
Corporation Tax for the year	36,873	38,245

20. Cash and Cash Equivalents

Financial institution	Account number		
a) Current account			
Kenya Commercial Bank	1109284373	236,476	144,627
Kenya Commercial Bank	1109287607	24,149	12,110
Kenya Commercial Bank- Mortgage scheme	1281008311	31	85
Kenya Commercial Bank- Car Loan	1281008753	65	122
National Bank -Kenya COVID 19 Education Res	01071205024201	-	7,701
NCBA KICD text Books	4666400018	869,652	56,705
Co-operative Bank	01136069386401	71,818	33,583
Co-operative Bank	01136069386402	204,885	266,901
Co-operative Bank	01136069386405	3,023	3,028
Co-operative Bank	02120069386400	24,941	19,890
Co-operative Bank	01136069386403	1,669	1,673
Equity Bank	0910299125863	1,041	1,041
National Bank of Kenya	01071205024200	247,429	321,361
Sub- total		1,685,179	868,827

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Notes to the Financial Statements (continued)

24. Property, Plant and Equipment

	LAND KSH. 000	BUILDINGS KSH. 000	FURN & FITTINGS KSH. 000	MOTOR VEHICLES KSH. 000	COMPUTERS KSH. 000	STUDIO EQUIP KSH. 000	DIGITAL EQUIP KSH. 000	HOTEL EQUIP KSH. 000	TOOLS & EQUIP KSH. 000	OFFICE EQUIP KSH. 000	PRINTING MACHINE KSH. 000	GENERATORS KSH. 000	WIP KSH. 000	TOTAL KSH. 000
Cost 2020/2021														
As at 1 st July 2020	2,200,000	737,693	48,838	107,529	43,784	45,247	7,134	3,104	6,712	11,761	27,233	3,576	1,269,840	4,512,453
Disposal	-	-	-	350	-	-	-	-	-	-	-	-	-	350
additions	-	41,658	8,994	11,819	5,562	3,460	8,234	-	-	1,846	60,739	-	1,500	143,813
As at 30 th June 2021	2,200,000	779,351	57,832	118,998	49,346	48,707	15,368	3,104	6,712	13,607	87,972	3,576	1,271,340	4,655,915
Accumulated depreciation														
As at 1 st July 2020	-	18,442	9,807	26,882	13,180	2,262	713	310	1,342	2,352	1,361	357	-	77,012
Deprec. On Disposal	-	-	-	88	-	-	-	-	-	-	-	-	-	88
Deprec. charge	-	19,511	11,646	29,750	14,811	2,435	1,537	311	1,343	2,721	4,399	358	-	88,819
As at 30 th June 2021	-	37,953	21,453	56,544	27,992	4,697	2,250	621	2,685	5,073	5,760	715	-	165,743
Cost 2021/2022														
As at 1 st July 2021	2,200,000	779,351	57,832	118,998	49,346	48,707	15,368	3,104	6,712	13,607	87,972	3,576	1,271,340	4,655,915
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
additions	-	20,895	1,176	-	1,205	14,295	-	2,595	874	7,956	-	-	-	48,996
As at 30 th June 2022	2,200,000	800,246	59,008	118,998	50,552	63,002	15,368	5,699	7,586	21,563	87,972	3,576	1,271,340	4,704,912
Depreciation														
As at 30 th June 2021	-	37,953	21,453	56,544	27,991	4,697	2,250	621	2,685	5,073	5,760	715	-	165,743
Deprec. On Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deprec. charge	-	20,006	11,802	29,750	15,165	3,150	1,537	567	1,517	4,313	4,399	358	-	92,566
As at 30 th June 2022	-	57,959	33,254	86,294	43,156	7,848	3,787	1,190	4,202	9,386	10,159	1,073	-	258,309
Net Book Value														
As at 30 th June 2022	2,200,000	742,287	25,754	32,704	7,396	55,154	11,581	4,509	3,384	12,177	77,813	2,503	1,271,340	4,446,603
As at 30 th June 2021	2,200,000	741,398	36,379	62,454	21,355	44,010	13,118	2,483	4,027	8,534	82,212	2,861	1,271,340	4,490,172

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Notes to the Financial Statements (continued)

25. Intangible Assets - Software

	Ksh '000'
Cost 2019/2020	
As at 1 July 2020	12,012
Additions	1,403
As at 30 June 2020	13,415
Amortization and impairment 2020/2021	
As at 1 July 2020	3,640
Amortization during the year	4,065
As at 30 June 2021	7,705
 Net book value as at 30 June 2021	 5,710
Cost 2021/2022	
As at 1 July 2021	13,415
Additions	-
As at 30 June 2022	13,415
Amortization and impairment 2021/2022	
As at 1 July 2021	7,705
Amortization during the year	4,025
As at 30 June 2022	11,730
 Net book values as at 30 June 2022	 1,685

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Notes to the Financial Statements (continued)

26. Trade and Other Payables from Exchange Transactions

	2022	2021 (restated)
	KSH '000'	KSH '000'
Trade Payables from Exchange and Non-exchange Transactions	48,896	83,037
Retention	61,837	61,315
Provision for Gratuity	4,519	2,457
Continental Credit Bank (under Receivership)	2,011	2,011
Third party payment	9	-
Provision for NSSF Penalty	4,337	-
Total payables from Exchange Transactions	121,609	148,820

The amount of **KSHS 2,011,474** owing to Continental Credit bank was an overdraft on KICD current account held with the bank which went into receivership in the 1980's. The retention of **KSHS 61 million** is majorly due Dinesh construction Co. for the construction of Educational Resource Centre among others.

27. Refundable Deposits from Customers

	2022	2021
	KSH '000'	KSH '000'
Customer Deposits	972	972
Total refundable deposits	972	972

28. Deferred Income: Donors/Partners

MoE Curriculum Reform	-	27,803
MoE-Digital Literacy Program	523,898	394,202
SEQIP	241,826	321,393
MoE Text Books	745,551	-
Kenya Future Leaders	262	262
Donors Partners	29,770	34,808
Total Deferred Income	1,541,307	778,468

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Notes to the Financial Statements (continued)

Trade and Other Payables from non- Exchange Transactions

	2022 KSH '000'	2021 (restated) KSH '000'
29. Provision on corporate taxation		
Accumulated provision on taxation	112,711	231,145
30. Capital Reserve		
Opening Balance	4,399,391	4,349,391
Development Grant	50,000	50,000
Total Capital Reserve	4,449,391	4,399,391
31. Accumulated Surplus		
Opening Balance	1,466,209	1,570,891
Surplus/(Deficit) for the year	43,912	(104,682)
Prior year Adjustment	(10,407)	-
Total Accumulated Surplus	1,499,714	1,466,209

**KENYA INSTITUTE OF CURRICULUM DEVELOPMENT
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Notes to the Financial Statements (continued)

32. **Prior year Adjustment of Ksh 10,407,360** is penalty payable to National Social Security Fund (NSSF) which accrued in the year 2007 to 2010 when the institute established staff retirement pension scheme and the NSSF pension dues were not deducted.

33. Related Party

Nature of related party relationships

Entities and other parties related to the entity include those parties who have ability to Exercise control or significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The Institute does not have any associate entity and therefore does not have related party arising from it management personnel or associate or close family members. The Institute's Council comprises members drawn from Ministry of Education and National Treasury, and who have significant influence over its operating and financial decisions.

Government of Kenya

The Government of Kenya is the principal shareholder of the Institute. And holds 100% of the Institute's Equity interest. The Government of Kenya can provide full guarantees to all long-term lenders of the Institute, both domestic and external. Other related parties includes:

- i) The National Government;
- ii) Ministry of Education, State Department of Early Learning and Basic Education.

Transactions with related parties

	2022	2021 (restated)
	KSH '000'	KSH '000'
a) Grants from the Government		
Grants from National Govt- Recurrent	803,358	775,839
Grants from National Govt- development	50,000	50,000
Grants from National Govt- conditional grants	6,894,104	2,224,100
Total	7,747,462	3,049,939

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Notes to the Financial Statements (continued)	2022	2021
	KSH	(restated) KSH

b) Expenses incurred on behalf of related party

	'000'	'000'
Distribution of text books to Schools	5,841,441	2,554,830
Total	<u>5841,441</u>	<u>2,454,777</u>

c) Key management compensation

Expenses of the Board	14,973	11,502
Compensation to the CEO	3,996	3,936
Compensation to Key management	9,112	10,145
Total	<u>28,081</u>	<u>25,583</u>

34. Provisions for Doubtful Debts

General Provisions (NRC)	873	261
Specific Provisions (NRC)	65,538	62,273
Sub-total	66,411	62,534
General Provisions (KICD)	491	491
Specific Provisions (KICD Bank Deposit)	5,043	5,043
Total	<u>71,945</u>	<u>68,068</u>

*The specific provision of Kshs. **5,042,864.50** comprises of deposit with Continental Credit Bank of Kshs. **4,922,864.50** and deposit with bank Indosuez of Kshs. **120,000** all under receivership. The bank went under receivership in the 1980's.

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Notes to the Financial Statements (continued)

35. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and the management's response that was provided to the auditor. Focal persons have been nominated to resolve the various issues as shown below. The time frame within which the issues are expected to be resolved is also indicated.

Reference No. on the External Audit Report	Issue/Observations from Auditor	Management Response	Focal point person to resolve the issue (Name and designation)	Status: (Resolved / not resolved)	Time frame: (Put a date when you expect the issue to be resolved)
	Inclusivity (Ethnicity) During the year of audit, it was noted that the entity did not adhere to Chapter 7(2) of the National Cohesion and Integration Act, 2008. The Management team and other staff distribution was not ethnically balanced since both categories had more than one third of its staff from the same ethnic community.	The Institute had 34% of its members of staff from one ethnic community contrary to the provisions of chapter 7 of the National Cohesion and Integration Act, 2008. This is a historical issue and it is being addressed progressively in subsequent recruitments without adversely affecting meritocracy. During the audit year, the Institute recruited staff from other ethnic groups and progress was made on ethnicity composition.	Senior Management	Partially resolved	Progressively

Director/Chief Executive Officer



Date..... 14-04-2023.

Chairperson of the Council



Date ..18/04/2023

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Notes to the Financial Statements (continued)

APPENDIX II: Projects Implemented By Kenya Institute of Curriculum Development

Project

Status of Project Completion

The Education Resource Centre project is ongoing.

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Construction of Education Resource Centre Phase 1	Kshs. 1.433B	Kshs. 1,271,340,147	88%	Kshs. 1.433B	Kshs. 1,271,340,147	GoK