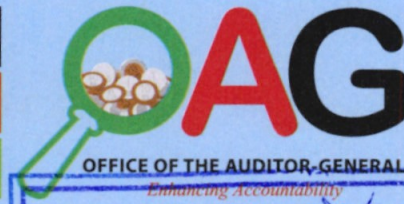


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 FEB 2026

DAY.

THUR

OF

TABLED

DEPUTY MAJORITY WHIP

CLERK-AT
THE TABLE:

V. WAMBUI

THE AUDITOR-GENERAL

ON

NAROK WEST TECHNICAL TRAINING
INSTITUTE

FOR THE YEAR ENDED
30 JUNE, 2025





NAROK WEST TECHNICAL TRAINING INSTITUTE

FINANCIAL STATEMENTS

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

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

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June, 2025

Table of Contents

1.	Acronyms and Definition of Key Terms	ii
2.	Key Entity Information and Management	iii
3.	The Council/Board of Governors	v
4.	Key Management Team	viii
5.	Chairman’s Statement	x
6.	Report of the Chief/Senior Principal	xii
7.	Statement of Performance against Predetermined Objectives	xvii
8.	Corporate Governance Statement.....	xviii
9.	Management Discussion and Analysis.....	xix
10.	Environmental And Sustainability Reporting Statement	xx
11.	Report of the Council/Board of Governors	xxii
12.	Statement of Board of Governors/ Council’s Responsibilities	xxiii
13.	Report of the Auditor General	xxiv
14.	Statement of Financial Performance For The Year Ended 30 June 2025	1
15.	Statement of Financial Position As At 30th June 2025	3
16.	Statement of Changes in Net Asset For The Year Ended 30 June 2025	5
17.	Statement of Cash Flows For The Year Ended 30 June 2025	6
18.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025	7
19.	Notes to the Financial Statements	8
20.	Appendices	38

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June, 2025

1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

The Institute was incorporated/ established under the TVET Act on 21st December, 2016 through registration by TVETA, registration number TVETA/PUBLIC/TVC/0050/2016. The Board of Governors (BoG) was appointed on 20th November, 2017 and the first group of students admitted in February, 2018. The Institute is domiciled in Kenya. The institute is under the Ministry of Education.

Currently, we have four departments: Engineering, Business Studies, Hospitality and Institutional Management and ICT.

(b) Principal Activities

Our principal activity is TVET training as per the TVET Act, 2003. Our vision is to be a center of excellence in the provision of TVET training and an agent of community development. Our mission is to develop competent and innovative human resource for sustainable development. Our strategic objectives are:

- (i) To impart knowledge, skills and attitudes to trainees in order to gain entrepreneurship and problem-solving skills for the world of work;
- (ii) To expand the Institute's infrastructure and equipment;
- (iii) To widen and strengthen the Institute's financial base;
- (iv) To improve Institutional governance and quality management.

(c) Key Management

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

- Board of Governors (BOG)
- Principal
- Deputy Principal
- Registrar
- Dean of Students (DOS)
- Finance Officer

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	David Kipyegon Maru
2.	Deputy Principal	RoseAnn Wanjiru Kamau
3.	Registrar	Jane Chekogei
4.	Dean of Students	Samuel Rotiken
5.	Institute Accountant	Jane Resiatio Koila

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

The Board of Governors (BOG) has overall oversight responsibility. The Board has committees which meet to deliberate on the agendas before they are presented to the full board.

The Board has three committees:

- (i) Education, Training and Research committee
- (ii) Finance, Governance and Development Committee
- (iii) Audit, Risk and Compliance Committee

The Institute management has put in place a Management Information System (MIS) which has helped ensure that all financial management data is processed automatically.

(iv) Entity Headquarters

P.O. Box 1150-20500,
Narok, KENYA.

8 Km from the Narok-Bomet Road along the old Maasai Mara Road

(v) Entity Contacts

Telephone: (254) 701-807 410

E-mail: narokwesttti@gmail.com

Website: www.narokwestti.ac.ke

(vi) Entity Bankers

Kenya Commercial Bank

P.O. Box 406-20500,

Narok, Kenya

(vii) Independent Auditors

Auditor-General

Office of Auditor General

Anniversary Towers, Institute Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(f) Principal Legal Adviser

The Attorney General

State Law Office





Harambee Avenue




P.O. Box 40112

City Square 00200

Nairobi, Kenya

3.The Council/Board of Governors

<p>1. MR. FRANCIS OLE KOROS B. Ed (Arts)</p> 	<p>Date of Birth: 1972</p> <p>Qualifications: Bachelor of Education (Arts), UON</p> <p>Experience: Over 20 years as a teacher, 12 of them Principal. 8 Years as the Chairman of Public Service Board, Narok County.</p>
<p>2. MRS. MARGARET MUGA NYAKUNE</p> 	<p>Date of Birth: 1st January 1957</p> <p>Qualifications: Masters in Entrepreneurship</p> <p>Experience: Over 30 years as a Technical Teachers Trainer at KTTC. Retired as the HoD - Business Department at KTTC</p> <p>Chair, Education, Training and Research committee</p>
<p>3. MS. SHIRLEY LEKEN TOME</p> 	<p>Date of Birth: 16th July, 1992</p> <p>Qualifications: Bsc in Financial Engineering from JKUAT, CFA level 1</p> <p>Experience: Serves as a finance officer from Feb 2017 to date</p> <p>Chair, Finance, Governance and Development Committee</p>
<p>4. DR. KENNEDY OKONG'O</p> 	<p>Date of Birth: 16th April, 1982</p> <p>Qualifications: Phd in Information Systems, Masters in Information Systems and Bsc in Geomatic Engineering & Information Systems</p> <p>Experience: 14 years' experience in ICT policy formulation, implementation, monitoring and evaluation.</p>

	<p>Chair, Audit, Risk and Compliance Committee</p>
<p>5. MR. SHADRACK KIMANZI MUSEE</p> 	<p>Date of Birth: 18th November 1972</p> <p>Qualifications: Masters in Geographic Information Systems, UON</p> <p>Experience: Over 12 years in installation of software, GIS systems and remote access technology like the remote automatic weighbridges.</p> <p>Member, Finance, Governance and Development Committee</p>
<p>6. MR. JACKSON RIMOINE MAITAI</p> 	<p>Date of Birth: 1994</p> <p>Qualifications: Bachelor of Science in IT, JKUAT</p> <p>Experience: 6 years as IT expert in various organizations</p> <p>Member, Audit, Risk and Compliance Committee</p>
 <p>Mrs. Ruth M. Mounde, (PS SDTVET Alternate Board Member)</p>	<p>Date of Birth:</p> <p>Qualifications: Master’s Degree in Education, Bachelor’s Degree in Education, a certificate in Strategic Leadership Development Program and Senior Management Course.</p> <p>Experience: Ruth is a Deputy Director in the State Department for Technical Vocational Education and Training (TVET), the Directorate of Vocational Education and Training (VTE).</p> <p>Member, Education, Training and Research committee and Finance, Governance and Development Committee</p>

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

7. MR. DAVID KIPYEGON MARU



Date of Birth: 2nd November, 1974

Qualifications: Bachelor of Education (Technology Education) specializing in Electrical and Electronics Technology.


Experience: Taught electricity and computer studies at Sacho High School from 2001 to 2004, taught at Rift Valley Institute of Science and Technology (RVIST) from 2004 to 2017. Served as the Institute timetable, Performance Contract (PC) coordinator, Head of Department (HOD) of electrical department and then Deputy Principal (Academic Affairs). Currently serving as the Principal, Narok West TTI from 22nd June, 2017 to date.

4. Key Management Team

1.	 <p>MR. DAVID KIPYEGON MARU B. Ed. (Tech. Ed)</p>	Principal
2.	 <p>RoseAnn Wanjiru Kamau Msc (IT)</p>	Deputy Principal
3.	 <p>Jane Chepkogei Bsc (IT)</p>	Registrar

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

4.	 <p>Samuel Rotiken Bsc (Tourism)</p>	Dean of Students
5.	 <p>JANE RESIATO KOILA B. Com. (Finance) CPA (K)</p>	Finance Officer

5. Chairman's Statement

Narok West Technical Training Institute's main twin-workshop single storey building was completed and handed over on 16th December, 2016. The Institute was then registered with the Technical and Vocational Education and Training Authority (TVETA) as number TVETA/PUBLIC/TVC/0050/2016 in line with the TVET Act (2003) on 16th December, 2016 and the first Board was appointed on 20th November, 2017 and inaugurated on 15th December, 2017.

The Board consisted of the following members:

- | | | |
|-----------------------------|---|--|
| 1. Mr. Francis Ole Koros | - | Chairman |
| 2. Mrs. Margaret N. Muga | - | Member representing Leadership and Management |
| 3. Miss. Malvine S. Nkoitoi | - | Member representing Financial Management |
| 4. Mr. Shadrack K. Musee | - | Member representing Technology |
| 5. Mr. Stanley K. Riamit | - | Member representing Industry |
| 6. Eng. Alice Mutai | - | Member representing Engineering |
| 7. Mr. Jackson R. Maitai | - | Member representing ICT |
| 8. Miss. Everline Korsai | - | Member representing the Governor, Narok County |
| 9. Mrs. Olivia A. Odongo | - | County Director TVET (Representing the PS) |
| 10. Mr. David K. Maru | - | Principal/Secretary |

On 10th January, 2018, the Board held a meeting and approved the admission of the first group of students. The first Board helped the Institute to sign a four-year Memorandum of Understanding (MOU) with Maasai Mara Wildlife Conservancies Association (MMWCA) covering 1st January, 2018 to 31st December, 2021. The project provides partial scholarships to students who are children of land owners in the conservancies. This helped to grow the student population greatly.

The Board also sought assistance from the Narok West National Government Constituency Development Fund (NG-CDF) which funded the construction of three blocks of pit latrines: a block of three latrines and a urinal for male students, a block of three latrines for female students and a block of two pit latrines for staff at a total cost of Ksh. 800,000.

Projects completed during the term of the first Board are the construction of the makeshift kitchen, pit latrine and bathrooms for students. Then there was construction of the pit latrines by Narok West NG-CDF, a kitchen, an agricultural machinery shade, a fence around the main building complete with a gate and the roof water harvesting with three 10,000 litre tanks.

The term of the first Board ended on 20th November, 2020. The second Board was appointed on 3rd November, 2022 and inaugurated on 4th February, 2022. The new Board consisted of the following members:

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

1. Mr. Francis Ole Koros - Chairman
2. Mrs. Margaret N. Muga - Member representing Leadership and Management
3. Miss. Shirley L. Tome - Member representing Financial Management
4. Mr. Shadrack K. Musee - Member representing Technology
5. Dr. Kennedy Okong'o - Member representing Industry
6. Mr. Jackson R. Maitai - Member representing ICT
7. Mrs. Ruth M. Mounde - County Director TVET (Representing the PS)
8. Mr. David K. Maru - Principal/Secretary

The members representing Engineering and the Governor of Narok County were not appointed.

The Board held its first meeting in the 2024/2025 FY on 10th October, 2024 where the 2024/2025 FY budget estimates were presented and approved. On 1st November, 2024 they held another meeting where the Board carried out a self-evaluation through an end of BOG's term report and staff employment was discussed. The second Board ended their term on 3rd November, 2024.

The third 12th February, 2025 but the letters were received and inauguration done on 5th April, 2025. They held only one meeting on 30th June, 2025 where the 2025/2026 FY budget estimates were presented and approved.

The duration has not been without challenges. Some of these challenges include a lack of a hostel quarters which has been the major issue in growth of the student population. Also, the Institute land has not been titled due to the fact that it was donated by the community out of the unregistered community land. Currently, demarcation of the community land is complete and its registration is ongoing. The community has increased the institute land from 20 acres to 50 acres which shall be demarcated and registered once the community land registration process is complete.

The Institute has endeavoured to achieve its core objective of provision of quality TVET training to its students. Despite the challenges, the Institute has worked hard to overcome them. We are optimistic that before the end of the term of this Board, we shall accomplish a lot in the development of the Institute.

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

6. Report of the Chief/Senior Principal

Narok West Technical Training Institute (TTI) is one of the sixty (60) new technical institutions built under Vision 2030 flagship projects by the Government through the Ministry of Education and National Government Constituency Development Committee (NG-CDF). Construction of the main twin-workshop single storey building was completed and handed over on 16th December, 2016.

The Institute is registered with the Technical and Vocational Education and Training Authority (TVETA) as number TVETA/PUBLIC/TVC/0050/2016 in line with the TVET Act (2003) on 16th December, 2016 and the first Board was appointed on 20th November, 2017 and inaugurated on 15th December, 2017. On 10th January, 2018, the Board held a meeting and approved the admission of the first group of students. The first students were admitted on 19th February, 2018. The second Board was appointed on 3rd November, 2021, their letters were received in January, 2022 and they were inaugurated on 4th February, 2022.

The Institute has continued to grow in student population reaching the current 373 as per the table below:

Period	Student Population Statistics		
	Male	Female	Total
November, 2018	9	11	20
June, 2019	38	16	54
September, 2019	67	28	95
January, 2020	82	34	116
February, 2021	96	69	165
September, 2021	145	91	236
June, 2022	157	102	259
September, 2022	169	107	276
January, 2023	164	133	297
June, 2023	173	148	321
June, 2024	221	152	373
September, 2024	273	208	481
June, 2025	238	259	497

The Institute has the following staff statistics:

Staff Category	Staff Population Statistics		
	Male	Female	Total
Public Service Commission (PSC) trainers	18	11	29
Support staff	6	4	10
	24	15	39

INFRASTRUCTURE AND PROJECTS COMPLETED:

1. **Main Administration with Twin Workshop Building:**
The main building was completed and handed over on 16th December, 2016. It contains two workshops, eight classrooms, a staffroom, ICT room, Drawing room, 4 blocks of ablution blocks and a total of 9 offices. The building was done through the mentorship of Keroka Technical Training Institute (TTI). In order to start the Institute, we converted the four ground floor classrooms into hostels. Currently, the rooms are now classes though we face a shortage of classrooms. Also, the washrooms are not being used due to lack of water for flashing.
2. **Supply of Agricultural Engineering equipment** – this were supplied by the Government of Kenya (GOK) and comprises of five tractors, an assortment of implements, mechanical machines including two conventional lathes and a milling machine and assorted spare parts.
3. **Supply of ICT equipment** - this were supplied by the GOK and comprises of 20 computers, 10 UPS's, 2 projectors with screens, 3 laptops and 3 printers.
4. **Supply of furniture** - this were supplied by the GOK and comprises of office tables and chairs, a fireproof safe, cabinets and a complete 10-seater boardroom facility.
5. **Construction of pit latrines** – The Narok West National Government Constituency Development Fund (NG-CDF) funded the construction of three blocks of pit latrines: a block of three latrines and a urinal for male students, a block of three latrines for female students and a block of two pit latrines for staff at a total cost of Ksh. 800,000.
6. **Construction of a Kitchen** – this comprises of a kitchen area and a store made of metal bars and corrugated iron sheets. It was funded by Government capitation and grants saved during the March – October, 2020 lockdown at a cost of Ksh. 78,120.
7. **Construction of a shade for agricultural engineering implements** – This is made up of corrugated iron sheets with weld mesh walls. It was funded by Government capitation and grants saved during the March – October, 2020 lockdown at a cost of Ksh. 142,942.00
8. **Construction of a fence around the main building with a gate** - The fence encompasses the main building compound and the amenities. The fence is made of metal poles (hollow section G16 2 by 2 inches), steel wire (3 strands) and chain link around the whole area. The gate is made of 1½ by 1½ inches hollow section G16 metal bars welded together. The gate is also branded. It was funded by Government capitation and grants saved during the March – October, 2020 lockdown at a cost of Ksh. 222,650.
9. **Installation of roof water harvesting** – The Institute has a total of three 10,000-liter plastic tanks for roof water harvesting using gutters though not all the roof runoff is collected since the gutters don't cover the whole roof. However, this water has not been sufficient nor reliable since it is rain dependent.
10. **Fencing the Institute land** – this was done in the 2021/2022 FY using funds from the Income Generating Activities (IGA) specifically sale of maize to the neighbouring secondary school.
11. **Sinking of a borehole** – The institute did proposals to Allianz partners of Germany and Lifecare International of Dubai following introduction by H. E. Patrick Ole

Ntutu, the Governor of Narok County. The donors sunk the borehole while the Institute constructed the water tank tower, installed two 10,000 litre tanks and supplied water to a community offtake point for domestic use and a water trough for watering animals. Therefore, the borehole project profits the Institute and the community.

The following infrastructure projects are ongoing:

1. Hostels:

The Institute is located far from any major trading centre leading to a slow growth in trainee population due to a lack of accommodation space. The Institute started construction of a 96 bed capacity hostel using funds from Income Generating Activities (IGA). We were able to construct the floor slab to completion using our own funds. On Thursday, 16th May, 2024, the hostel project was launched by the Governor and he pledged to continue with the construction from there onwards. Later on, he asked if the project can be done further from the administration building and we agreed. He pledged to build a new hostel to completion at a different site. This is yet to be done. We are to continue with our own hostel project as and when funds are available.

The Institute was also awarded a trainee's village with a 340 units' hostel facility by the government through the affordable housing project. We have signed and presented the framework agreement and a team from affordable housing came and did soil sampling on 2nd June, 2025.

We look forward to these hostel projects since we are now unable to increase trainee population due to a lack of trainee accommodation.

2. Gate at Road Entry Point

The Institute's has a gate at the entry to the administration block but the entry point along the old Maasai Mara road was without any major makings to indicate presence of the institute. Only a road side sign board and an overhead name tag existed. It was decided that a gate be constructed to serve as a branding and marketing tool. The gate construction is currently about 80% complete. The side walls, pillars, gates (for cars and for pedestrians), security officer's office and water supply are completed. The pending works are finishes on security office, painting, sign writing and planting of flowers.

3. Agricultural machinery Shade (Phase II)

The agricultural machinery shade (Phase I) houses the five tractors but the implements and the corn harvesters have been out under trees. The phase II project will house the implements and provide an automotive class repair pit. The project is 95% complete since only painting and branding remains. The implements are already in the shade and the automotive class is using the repair pit.

ACHIEVEMENTS:

1. **Growth in student population** – trainee numbers have grown steadily from 6 in January, 2018 to 497 currently despite a lack of a hostel and location of the Institute away from any trading center.
2. **Growth in staff numbers** – the Institute received 4 trainers from the PSC in September, 2019, 4 trainers in February, 2020, 6 trainers in January, 2021, 5 trainers in September, 2023 and 7 in September, 2024.
3. **Partnership with the Maasai Mara Wildlife Conservancies Association (MMWCA)** – The Institute signed a four-year Memorandum of Understanding (MOU) with MMWCA covering 2018 to 2021. MMWCA provided partial scholarships to students who are children of land owners in the conservancies while Narok West TTI ensures that they acquire the knowledge, skills and attitudes to ensure they can take advantage of the opportunities in the Maasai Mara ecosystem area. So far students have benefitted from the partial sponsorship as follows:

YEAR	MALE		FEMALE		TOTAL
	No.	Perc.	No.	Perc.	No.
2018	8	57.14%	6	42.86%	14
2019	62	78.48%	17	21.52%	79
2020	22	61.11%	14	38.89%	36
2021	38	38.38%	61	61.62%	99
TOTAL	130	57.02%	98	42.98%	228

4. **Farming activities** – the Institute has a 35-acre piece of land of which 22 acres is under cultivation of maize, beans, vegetables, and fruits trees. In August, 2021 we harvested 64 bags each of 90Kg of maize, in August, 2022 we harvested 150 bags each of 90 Kg of maize, in July, 2023 we harvested 173 bags each of 90 Kg of maize and while in 2024 we harvested 181 bags of 90 Kg maize. We have just harvested 47 bags of beans and maize will be harvested in late August. We are now planning to change from maize and beans to cultivation of horticultural crops under irrigation.
5. **Trees planted** – We planted about 50 trees in 2017-2018; 800 tree seedlings in June, 2019; 400 tree seedlings donated by the Narok West NG-CDF in November, 2019; 300 tree seedlings donated by the Ministry of Energy in January, 2020; 750 tree seedlings donated by the Narok Kenya Defence Forces (KDF) in March, 2020 and over 1,500 trees and fruit trees in 2021. In 2023 we concentrated on planting flowers while in 2024 we planted 1,000 trees. On Thursday, 13th March, 2025 the Institute teamed up with the National Government Administration Officers (NGAO), Narok county forestry office, the local community, staff and trainers to plant 1400 trees. In 2017 there was no single tree in the Institute land but now we have a forest of trees in the compound, all fences have trees and the main building is surrounded by flowers and fruit trees.
6. **Re-painting of the main building** – we have repainted the main building to take care of ware and tare, beautification and branding with the Institute official colours: orange and blue.

7. **Fencing of the Institute land** – in the 2021/2022 FY we were able to construct a fence using cedar posts and five strands of wire around the whole Institute land using funds from the sale of maize produce.
8. **Sinking of the borehole** - The Institute depended on roof water harvesting supplemented by water fetched from the community borehole which is about 4 km away. This was a major challenge especially with the increasing trainee population. In the 2023/2024 FY, we asked the Governor, Narok County Government to assist in drilling a borehole for us and he introduced us to Allianz partners of Germany and Lifecare International of Dubai. We did a funding proposal which was accepted and they did a solar powered borehole sunk to a depth of 200 meter. The Institute constructed the water tower, bought tanks and connected the water to a community collection point where community members can fetch water and water their livestock free of charge. This had been set as a precondition towards funding of the borehole.
9. **Consistent high pass rate in external extermination** – the Institute has always posted over 60% pass rate in KNEC exams, over 65% pass rate in CDACC exams and 100% pass rate in NITA exams.

CHALLENGES AND PROPOSED SOLUTIONS:

1. **No students' hostel:** Lack of a hostel quarters has been the major issue in growth of the student population. A number of students are hosted at the Nkorkorri trading centre which is about 4 km away. To solve the challenge, we talked to a neighbour who did hostels for 150 students but they are already full. The second phase is not yet complete. We look forward to being able to raise enough funds from our Income Generating Activities (IGA) to be able to construct hostels. We have also petitioned the new Narok County Government to assist in constructing the hostels.
2. **Lack of land registration documents** – the Institute land was donated by the community from the 300 acre Nokorkorri-Lemek community land (*LR No. CIS/Mara/Lemek/191*). However, the community land has not been registered. The process of its demarcation and registration is ongoing thus we have been unable to register the Institute land given the original land must be surveyed and demarcated first before land mutation of our parcel can be undertaken. The community agreed to increase the Institute land from the current 35 acres to 50 acres during stakeholders meeting held on Monday, 7th July, 2025 with consisting of the National Government Administration Officers (NGAO), Members of the Board of Management (BOM) of Nkorkorri Boys Secondary School who are the community land trustees on behalf of the Narok county government, local community elders/leaders and members of the Board of Governors (BOG) of the Institute. The community Land was surveyed and beacons placed on 10th July, 2025. Currently, the process of registration is at an advanced stage.

7. Statement of Performance against Predetermined Objectives

The Institute has four strategic pillars and objectives within its strategic plan. These strategic objectives are as follows:

1. To impart knowledge, skills and attitudes to trainees in order to gain entrepreneurship and problem-solving skills for the world of work;
2. To improve the Institute’s infrastructure;
3. To improve Institutional governance and quality management.

Narok West TTI develops its annual work plans based on the above strategic objectives. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. Narok West TTI achieved its performance targets set for the FY 2024/2025 period for its for strategic objectives, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Training	To impart knowledge, skills and attitudes to trainees in order to gain entrepreneurship and problem-solving skills for the world of work	- Student population - Exam results	- Student admission - Training - Exams - Industrial attachment	- Student population has grown from 6 in January, 2018 to 497 currently. -We started with 4 courses but currently have 18 courses offered - Always had over 60% pass rate - All student required to go for industrial attachment
Infrastructure development	To expand the Institute’s infrastructure and equipment;	- Infrastructure development - Training equipment - Inventory	- Construction - Purchase of equipment and materials	- Main building completed in December, 2016 - Bathrooms, pit latrines, Fence, gate, shade, kitchen and food and Beverage workshop constructed. The borehole was sunk.
Quality Management	To improve Institutional governance and quality management	- Management objectives and outcomes - Performance contract targets and evaluation report	- Setting objectives and targets - Implementing the set objectives - Monitoring and evaluation	- Annual PC targets set - PC implemented - Management documents available for training, administration and student affairs

8. Corporate Governance Statement

The institute had a Board fully constituted through appointment by the cabinet secretary for Education as provided for in the TVET Act No. 29 of 2013. The Board was constituted as per the Second Schedule of the TVET Act. Members have the liberty to turn down the appointment but all the appointed members accepted the appointment. Also, in the course of their term, any member is free to resign by writing to the cabinet secretary. No such resignation was witnessed in the period. Two members of the Board were serving their first term while all the other independent members were serving their second term. This was done to ensure a succession plan since the two are eligible for appointment to the next Board.

The Board was able to hold four meetings: on 10th October, 2024, 1st November, 2024, 5th April, 2025 and 30th June, 2025. Attendance by the members was very good since no member failed to attend two consecutive meetings. In each meeting, members were given an opportunity to declare if they have any conflict of interest. There was no single instance where a member was conflicted. The Board had attended an induction on 29th June to 1st July, 2022; just after their appointment. The Board member's remuneration was done as per the guidelines given by the Cabinet Secretary.

9. Management Discussion and Analysis

In the 2024/2025 financial year (FY), the Institute received capitation funds totalling up to Ksh. 5,021,150 but the amount per student was below the approved Ksh. 7,500 per student. In quarter I it was Ksh. 4,100 per student while in quarters II, III and IV it was Ksh. 4,333 per student. The Institute closed the 2024/2025 FY with Ksh. 312,161 in the bank account and Ksh. 6,500 in cash.

The Institute was able to start construction of the hostel, agricultural machinery shade and a gate. Also, partnered with Maasai Mara Wildlife Conservancies Association (MMWCA) to train women in the conservancies on tailoring so that they can be assisted to start mass production of school uniforms and other clothes including branded corporate uniforms.

The institute did proposals to Allianz partners of Germany and Lifecare International of Dubai following introduction by H. E. Patrick Ole Ntutu, the Governor of Narok County. The donors sunk the borehole while the Institute constructed the water tank tower, installed two 10,000 litre tanks and supplied water to a community offtake point for domestic use and a water trough for watering animals. Therefore, the borehole project profits the Institute and the whole community.

The Institute was greatly affected lack of funds given that we received less funds per quarter which was budgeted for but not received. Instead of Ksh. 7,500 per student per quarter we received less. The Institute was only able to meet some of its key expenditure items in order to ensure service delivery to its main clients - the students, was not hampered. However, some major expenditure and development projects could not be undertaken to completion.

The Institute has complied with laid down statutory obligations including deducting and paying Pay-As-You-Earn (PAYE) to the Kenya Revenue Authority (KRA), National Hospital Insurance Fund (NHIF) and National Social Security Fund (NSSF). This were deducted and paid on time for the whole financial year. The Institute was also able to negotiate, vet and sign the 2024/2025 FY performance contract as per Government guidelines. Reporting to various organs is done on quarterly basis while the main evaluation is done annually.

10. Environmental And Sustainability Reporting Statement

Narok West Technical Training Institute exists to transform lives through provision of technical training. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on four pillars: putting the customer first, delivering relevant services, and improving operational excellence.

- i. Sustainability strategy and profile** - The Institute has established the Mara region, Kilgoris and Conservancy areas as a primary catchment in student mobilization with the other areas of Narok west and south areas as secondary catchment areas. We have entered into agreements with a neighbour in provision of accommodation to the students. The partnership with Maasai Mara Wildlife Conservancies Association (MMWCA) covering 1st January, 2018 to 31st December, 2021 ensured that all students whose parents are land owners in the conservancy areas receive Ksh. 9,000 as partial sponsorships for tuition fees in their first term in the Institute. After that, they get government capitation and apply for HELB loans. The Institute has also invested in Income Generating Activities (IGA) including farm activities (beans, maize and vegetables), leasing agricultural equipment and offering short courses specifically computer packages. In the 2024/2025 we had 164 students sponsored by the Narok County Government with partial sponsorship which will go a long way in ensuring the Institute is able to run its procedures and processes.
- ii. Environmental performance** - The institute has planted about 50 trees in 2017-2018; 800 tree seedlings in June, 2019; 400 tree seedlings donated by the Narok West NG-CDF in November, 2019; 300 tree seedlings donated by the Ministry of Energy in January, 2020; 750 tree seedlings donated by the Narok Kenya Defence Forces (KDF) in March, 2020 and over 1,500 trees and fruit trees in 2021. In 2022/2023 FY we concentrated on planting flowers and a few fruit trees. In 2023/2024 FY we planted a total of 900 trees in the institute. On Thursday, 13th March, 2025 the Institute teamed up with the National Government Administration Officers (NGAO), Narok county forestry office, the local community, staff and trainers to plant 1400 trees. In 2017 there was no single tree in the Institute land but now we have a forest of trees in the compound, all fences have trees and the main building is surrounded by flowers and fruit trees.
- iii. Employee welfare** - The Institute practices a non-discrimination policy in hiring of staff. However, during the 2024/2025 FY, the institute did not carry out any employments. The staff are appraised annually for both PSC and BOG staff. The students and staff are taken through safety procedures and use of fire appliances provided.
- iv. Marketplace practices** -

 - a) Responsible competition practice** – the institute has a policy on zero tolerance to corruption which is clearly displayed and all students informed from time to time to report any form of corruption to the Principal who chairs the corruption prevention committee. The management takes a politically neutral stand and no political activities are allowed within the Institute. Staff and students are encouraged to participate in sporting and gaming activities where fair competition and respect for competitors is taught and practiced.

- b) **Responsible Supply chain and supplier relations** – The Institute has maintained good working relationship with its suppliers by paying them promptly as per the invoices and delivery notes.
- c) **Responsible marketing and advertisement** – The Institute markets its services through fliers, radio, visiting the community during market days, word of mouth and social media.
- d) **Product stewardship** – the institute has put in place a customer service charter with mechanisms for customer complaints and compliments. This ensures that customers receive services promptly and in case of any complaints they can present them in a confidential and clearly laid out manner.

Corporate Social Responsibility / Community Engagements - The Institute is located within the Maasai Mara ecosystem area and has signed a Memorandum of understanding (MOU) with the Maasai Mara Wildlife Conservancies Association (MMWCA) so as to partner in the provision of technical skills to youths from the Mara area. Through the partnership, a total of 228 youths received or are in the process of receiving employable technical skills. The Institute also works closely with the local administration – the DCC, ACC's and chiefs in student admission, security issues, registration of voters and sporting activities for community youth teams and schools. The Institute also assist youths from the locality by allowing them to use the institute sports facilities. They also get to play against the institute teams and with each other at no cost. The students also carry out clean up exercises in the local market centres. The water from our borehole is accessible to all members of the community through the taps installed outside the institute and the water trough for animals.

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

11. Report of the Council/Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Narok West TTI affairs.

Principal activities

The principal activities of the of the Institute is provision of technical training.

Results

The results of the entity for the year ended 30th June, 2025 are set out on page 1.

Board of Management

The members of the Board who served during the year are shown on page v to vii.

Auditors

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

By Order of the Board



.....
Secretary of the Board

Date: 28th November, 2025



Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

12. Statement of Board of Governors/ Council's Responsibilities

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

The Board members are responsible for the preparation and presentation of 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 financial year (period) ended on June 30, 2025. This responsibility includes:

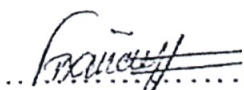
- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Institute;
- (iii) Designing,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

The Board members accept 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, 2012 and (the State Corporations Act, and the Technical Vocational Education and Training Act). The Board members are of the opinion that the Institute's financial statements give a true and fair view of the state of Institute's transactions during the financial year ended June 30th, 2025, and of the Institute's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Institute's financial statements were approved by the Board on 30th June, 2025 in the Board meeting held the same day.



Name: Francis Ole Keros,
Chairperson of the Board/Council





Name: David K. Maru,
Accounting Officer/Principal

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 NAROK WEST TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Narok West Technical Training Institute set out on pages 1 to 40, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and

other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Narok West Technical Training Institute as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 (Revised 2014) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of changes in net assets reflects a total net assets balance of Kshs.39,384,359. However, the re-computed amount is Kshs.111,762,177 resulting to an unexplained and unreconciled variance of Kshs.72,377,818. Further, the statement reflects revaluation gain balance of Kshs.72,377,818 which was not disclosed in Note 17 to the financial statements in respect of property, plant and equipment.

The statement of cash flows reflects net decrease in cash and cash equivalents negative balance of Kshs.55,549. However, the recomputed net increase amount is Kshs.318,661 resulting to an unexplained and unreconciled negative variance of Kshs.374,210.

Further, the statement reflects Nil amount in respect of purchases of property, plant and equipment and intangible assets. However, Note 17 to the financial statements reflects assets additions amount of Kshs.21,747,840 resulting in an unexplained variance of Kshs.21,747,840.

In addition, the statement reflects total expenditure amount of Kshs.18,301,331. However, the statement of comparison of budget and actual amounts reflects an amount of Kshs.18,213,971 resulting in an unexplained variance of Kshs.87,360.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.2,430,000 as disclosed in Note 14 to the financial statements. However, the student ledgers provided were not supported with ageing analysis and therefore, it was not possible to confirm the periods that the debts have been outstanding.

In the circumstances, the accuracy, completeness and recoverability of the current portion of receivables from exchange transactions balance of Kshs.2,680,000 could not be confirmed.

3. Unconfirmed Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.105,175,550 as disclosed in Note 17 to the financial statements. The balance includes an amount of Kshs.21,747,840 in respect of assets additions during the year under review. However, review of the statement of comparison of budget and actual amounts reflects actual capital expenditure amounting to Kshs.1,033,080 resulting to an unexplained and unreconciled variance of Kshs.20,714,760.

Further, Note 17 to the financial statements reflects property, plant and equipment total net book value of Kshs.105,175,550. However, the recomputed amount is Kshs.34,365,736 resulting in unexplained and unreconciled variance of Kshs.70,809,814.

In addition, review of the financial statements revealed that Management did not disclose the assets' depreciation amount for the year in the statement of financial performance and the corresponding Notes to the financial statements. It was further observed that the Institute has not developed a depreciation policy.

Review of records revealed that the Institute is built on a twenty (20) acres piece of land that was donated by the community. However, Management has not disclosed the value of the land in the financial statements and the Institute has not obtained the title deed for the land. Further, capital expenditure projects have been made on the land without certainty of ownership.

In the circumstances, the accuracy, completeness, ownership and valuation of that property, plant and equipment balance of Kshs.105,175,550 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Narok West Technical Training Institute 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

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects budgeted income and actual on comparable basis amounts of Kshs.37,615,600 and Kshs.18,619,991 respectively, resulting in an under-funding of Kshs.18,995,609 or 50% of the budget. Further, the statement reflects that the Institute spent an amount of Kshs.19,247,051 against an actual receipt of Kshs.18,619,991, resulting to an over-expenditure of Kshs.627,060 or 3% of the actual receipts.

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

My opinion is not modified in respect of this matter

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised in the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during the audit of the Institute for the financial year 2024/2025 revealed that the following nine (9) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Undisclosed Use of Goods and Services Expenses
3	2023/2024	Unsupported Receivables from Exchange Transactions Balance
4	2023/2024	Lack of Ownership Documents
5	2023/2024	Non-Disclosure of Fixed and Intangible Assets in the Financial Statements
6	2023/2024	Budgeting Control and Performance
7	2023/2024	Unresolved Prior Year Matters
8	2023/2024	Non-compliance with the Law on Ethnic Composition
9	2023/2024	Lack of an Approved Staff Establishment

Other Information

The management responsible for the Other Information set out on page iii to xxiii which comprise of Key Entity Information and Management, The Board of Governance, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governance and Statement of Board of Governance Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Institute's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Lack of Debt Policy on Long Outstanding Institute Fees

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.2,430,000 as disclosed in Note 14 to the financial statements. However, there was no policy on long outstanding student fees. This is contrary to Section 64(6) of the Public Finance Management (National Government) Regulations, 2015 which stipulates that an Accounting Officer or receiver of revenue or collector of revenue shall ensure adequate books of accounts are kept relating to revenue collection and management.

In the circumstances, Management is in breach of the regulations.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of an Approved Staff Establishment

During the year under review, the institute had forty-eight (48) staff comprising of twenty-nine (29) Public Service Commission trainers, one (1) Board of Governance trainer and eighteen (18) support staff. However, there was no approved staff establishment to determine optimality of staffing in different cadres of staff. This was contrary to Regulation B.2 (2) of the Human Resources Policies and Procedures Manual for the Public Service, 2016 that provides that on the basis of Human Resource plans, Ministries/State Departments shall be required to develop annual recruitment plans which will be forwarded to the Public Service Commission at the beginning of each financial year to enable it plan to fill the vacancies.

In the circumstances, the Management may not be in a position to determine the optimal number of employees required by the Institute to ensure effective service delivery to the public.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 December, 2025

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June, 2025

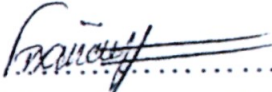
14. Statement of Financial Performance for The Year Ended 30 June, 2025

	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	8,465,590	12,500,000
Grants from donors and development partners			-
Transfers from other levels of government			-
Public contributions and donations			-
Revenue from Non-Exchange transactions		8,465,590	12,500,000
Revenue from Exchange transactions			
Rendering of services- fees from students	7	27,674,098	15,751,186
Sale of goods	8	576,350	455,800
Rental revenue from facilities and equipment			-
Finance income			-
Miscellaneous income			-
Revenue from Exchange transactions		28,250,448	16,206,986
Total Revenue		36,716,038	28,706,986
Expenses			
Use of goods and services	9	14,321,359	12,754,439
Employee costs	10	3,568,852	4,812,681
Board /Council Expenses	11	332,000	223,000
Depreciation and amortization expense			-
Repairs and maintenance	12	79,120	231,340
Contracted services			-
Grants and subsidies			-
Finance costs			-
Total Expenses		18,301,331	18,021,460
Other Gains/(Losses)			
Gain on sale of assets			-
Gain/ Loss on fair value of investments			-
Impairment loss			-
Total Other Gains/(Losses)			-
Net surplus/(deficit) for the year		18,414,708	10,685,526

(The notes set out on pages 22 to 25 form an integral part of the Annual Financial Statements).

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June, 2025

The Financial Statements set out on pages 1 to 2 were signed by:


.....

Chairman of Council/Board

Date: 28th November, 2025


.....

Principal

Date: 28th November, 2025


.....

Finance Officer

ICPAK No: 30718

Date: 28th November, 2025



Narok West TTI
Annual Report and Financial Statements for the year ended 30th June, 2025

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

Description	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	13	318,661	374,210
Current portion of receivables from exchange transactions	14	2,430,000	2,680,000
Receivables from non-exchange transactions	15	3,813,850	5,509,909
Inventories	16	454,555	52,400
Investments in financial assets		-	-
Prepayments		-	-
Total Current Assets		7,017,066	8,616,519
Non-Current Assets			
Long term receivables from exchange transactions		-	-
Investments		-	-
Property, plant, and equipment	17	105,175,550	12,617,896
Intangible assets		-	-
Investment property		-	-
Biological Assets		-	-
Total Non-Current Assets		105,175,550	12,617,896
Total Assets (A)		112,192,616	12,617,896
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions		-	-
Refundable deposits from customers	18	111,500	111,500
Current provisions		-	-
Finance lease obligation		-	-
Deferred income		-	-
Employee benefit obligation	19	318,939	153,264
Payments received in advance		-	-
Current portion of borrowings		-	-
Social Benefits		-	-

Narok West TTI


Annual Report and Financial Statements for the year ended 30th June, 2025

Description	Notes	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
Total Current Liabilities		430,439	264,764
Non-Current Liabilities			
Finance lease obligation		-	-
Deferred income		-	-
Non-Current Employee Benefit Obligation		-	-
Non- Current Borrowings		-	-
Non-Current Provisions		-	-
Service Concession Liability		-	-
Social benefits		-	-
Total non- current liabilities		-	-
Total Liabilities (B)		430,439	264,764
Net Assets (A-B)		111,762,177	20,969,651
Represented By:			
Revaluation Reserves		-	-
Accumulated Surplus		111,762,177	20,969,651
Capital Fund		-	-
Net Assets		111,762,177	20,969,651


The Financial Statements set out on pages 3 to 4 were signed by:



Chairman of Council/Board



Principal



Finance Officer

Date: 28th November, 2025

Date: 28th November, 2025

Date: 28th November, 2025



Narok West TTI

Annual Report and Financial Statements for the year ended 30th June, 2025

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

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023		10,284,125		10,284,125
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	10,685,526	-	10,685,526
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to	-	-	-	-
Retained earnings	-	-	-	-
At June 30, 2024	-	20,969,651	-	20,969,651
At July 1, 2024	-	20,969,651	-	20,969,651
Revaluation gain	-	72,377,818	-	72,377,818
Surplus/(deficit) for the year	-	18,414,708	-	18,414,708
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to	-	-	-	-
Retained earnings	-	-	-	-
At June 30, 2025	-	111,762,177	-	39,384,359

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

Description		2024/2025 FY	2023/2024 FY
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	8,465,590	12,500,000
Grants from donors and development partners			-
Transfers from other levels of government			-
Public contributions and donations			-
Rendering of services- fees from students		9,578,051	15,751,186
Sale of goods	8	576,350	455,800
Rental revenue from facilities and equipment			-
Finance income			-
Miscellaneous income			-
Total Receipts		18,619,991	28,706,986
Payments			
Use of goods and services	9	14,321,359	12,754,439
Employee costs	10	3,568,852	4,812,681
Board /Council Expenses	11	332,000	223,000
Repairs and maintenance	12	79,120	231,340
Contracted services			-
Grants and subsidies			-
Total Payments		18,301,331	18,021,460
Net Cash Flows from operating activities		318,661	
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(-)	(10,576,088)
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(-)	(-)
Cash flows from financing activities			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		(-)	(-)
Net cash flows used in financing activities		(-)	(-)
Net Increase/(Decrease) in Cash and Cash equivalents		-55,549	109,438
Cash and Cash equivalents at 1 JULY, 2024	13	374,210	264,772
Cash and Cash equivalents at 30 JUNE, 2025	13	318,661	374,210

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June 2025

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from National Government entities	10,315,600	-	10,315,600	8,465,590	1,850,010	82.07%
Grants from donors and development partners	-	-	-	-	-	-
Transfers from other levels of government	-	-	-	-	-	-
Public contributions and donations	-	-	-	-	-	-
Rendering of services- fees from students	26,740,000	-	26,740,000	9,578,051	17,161,949	35.82%
Sale of goods	560,000	-	560,000	576,350	(16,350)	102.92%
Rental revenue from facilities and equipment	-	-	-	-	-	-
Finance income	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Total Income	37,615,600	-	37,615,600	18,619,991	18,995,609	49.27%
Expenses						
Use of goods and services	26,094,089	-	26,094,089	14,321,359	11,772,730	54.88%
Employee costs	4,808,292	-	4,808,292	3,568,852	1,326,800	72.41%
Board /Council Expenses	1,128,000	-	1,128,000	332,000	796,000	29.43%
Repairs and maintenance	600,000	-	600,000	79,120	520,880	13.19%
Contracted services	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	-
Total Expenditure	32,630,381	-	32,630,381	18,213,971	14,416,410	55.82%
Surplus For the Period	4,985,219	-	4,985,219	318,660	4,082,476	6.39%
Capital Expenditure	4,985,219	-	4,985,219	1,033,080	3,952,139	20.72%

Transfers from other government entities and government grants (86.88%) - We did not receive the full capitation funds for quarters all quarters while. Also, a large number of the new funding model trainees (all 2024/2025 FY intake trainees) had not received their scholarship funds as at 30th June, 2025 due to the court case against the funding model.

Rendering of services - fees from students (35.82%) – All students were not able to clear their fees and those sponsored by the county (162 in total admitted in January, 2025) had not received their sponsorship funds as at 30th June, 2025.

Sale of goods (102.92%) – We attained and surpassed the budget due to bumper harvest of beans. The selling price of maize was very low at Ksh. 2,800 against the expected over Ksh. 5,000 per 90 kg bag.

19. Notes to the Financial Statements

1. General Information

Narok West TTI entity is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is technical training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note xx

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

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

3. Adoption of New and Revised Standards**i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.**

There are no new standards in the year ended 30th June 2025

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. This has been adhered to in the FS.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. This has been adhered to in the FS.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.

Annual Report and Financial Statements for the year ended 30th June 2025

	The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

iii. Early adoption of standards

Narok West Technical Training Institute did not early-adopt any new or amended standards in financial year 2024/2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on *10th October, 2024*. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page *xx* under section *xxx* of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule *xxx* of the *xxx* Act.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit (entity to amend appropriately). Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

j) Inventories

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

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

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

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

Inventories (Continued)

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of Narok West TTI.

k) Provisions

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

Contingent liabilities

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

Contingent assets

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

l) Social Benefits

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

m) Nature and purpose of reserves

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

n) 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 retrospective application is impractical.

o) Employee benefits

Retirement benefit plans

The Institute provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) Foreign currency transactions

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

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

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

s) Service concession arrangements

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

t) Cash and cash equivalents

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

u) Comparative figures

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

v) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

Provisions

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

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

6. Transfers from other National Government entities

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	6,465,590	10,500,000
Operational Grant	2,000,000	2,000,000
Development grants	-	-
Other Grants	-	-
Total unconditional Grants	8,465,590	12,500,000
Conditional Grants amortised/ recognised in revenue		
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	8,465,590	12,500,000

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023/2024 FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education -State Department of Vocational and Technical Training	8,465,590	-	-	8,465,590	12,500.000
Total	8,465,590	-	-	8,465,590	12,500.000

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June 2025

7. Rendering of Services

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Tuition Fees	14,987,548.00	4,856,069
Activity Fees	1,656,000.00	1,080,807
Electricity Water and Conservancy (EWC)	1,369,650.00	-
Local Travel and Transport (LTT)	1,449,000.00	-
Personal Emoluments (PE)	3,622,500.00	-
Repair Maintenance and Installation (RMI)	1,380,000.00	-
Registration Fees	1,035,000.00	1,952,023
Student ID	172,500.00	-
TVETA Fees	172,500.00	-
Students Union	310,500.00	-
Industrial Attachment Fees	-	3,398,295
Examination Fees	1,518,900	1,285,960
Library Fees	-	1,226,009
Facilities And Materials	-	1,952,023
Others (<i>Specify</i>)	-	-
Total Revenue from The Rendering of Services	27,674,098.00	15,751,186

These revenues are collected as per the approved fees structure.

8. Sale of Goods

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	576,350	455,800
Cafeteria sales	-	-
Other sales (specify)	-	-
Total Revenue from Sale of Goods	576,350	455,800

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June 2025

9. Use of Goods and Services

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Teaching and learning materials	1,119,085	2,224,302
Industrial attachment, Medical and Insurance costs	102,466	189,476
Electricity	152,707	89,049
Water	-	-
Security	-	-
Professional and consultancy services	-	-
Subscriptions	-	-
Advertising	130,102	257,480
Examination fees	786,689	852,540
Audit fees	-	-
Catering, conferences, and delegations	-	-
Travelling and accommodation	162,000	264,952
Fuel and oil	-	-
Legal expenses	-	-
Licenses and permits	-	-
Postage	-	-
Printing and stationery	-	-
Hire charges	-	-
Rent expenses	-	-
Skills development levies	-	-
Telephone expenses	-	-
Internet expenses	-	-
Training expenses	-	-
Other (Admin expenses, Activity, Student IDs, Student Meals, Development and IGA)	11,868,310	8,876,640
Total good and services	14,321,359	12,754,439

10. Employee Costs

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Salaries and wages	3,568,852	4,812,681
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Social contributions	-	-
Employee Costs	3,568,852	4,812,681

11. Board/Council Expenses

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Chairman's Honoraria	-	-
Directors Emoluments	332,000	223,000
Other Allowances	-	-
Other Board/Council Expenses	-	-
Total	332,000	223,000

12. Repairs and Maintenance

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Property	79,120	231,340
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Total Repairs and Maintenance	79,120	231,340

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June 2025

13. Cash and Cash Equivalents

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Account	312,161	366,555
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Others (Cash in Hand)	6,500	7,655
Total Cash and Cash Equivalents	318,661	374,210

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

Financial Institution	Account number	2024/2025 FY	2023/2024 FY
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1221119397	312,161	366,555
Equity Bank, etc.			-
Sub- Total		312,161	366,555
b) On - Call Deposits			
Kenya Commercial Bank		-	-
Equity Bank – etc.		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		-	-
Bank B		-	-
Sub- Total		-	-
e) Others(Specify)			
Cash in Transit		-	-
Cash in Hand		6,500	7,655
Mobile Money account		-	-
Sub- Total		6,500	7,655
Grand Total		318,661	374,210

14. Receivables from Exchange transactions**14 (a) Current Receivables from Exchange transactions**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Receivables		
Student Debtors	2,430,000	2,680,000
Rent Debtors		-
Consultancy Debtors		-
Other Exchange Debtors		-
Less: Impairment Allowance		-
Total Current Receivables	2,430,000	2,680,000

15. Receivables from Non-Exchange transactions

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Current Receivables		
Capitation Grants*	3,813,850	5,509,909
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	3,813,850	5,509,909

16. Inventories

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Consumable stores	17,730	5,500
Maintenance stores	2,700	3,400
Health Unit stores	-	-
Electrical stores	-	4,700
Cleaning Materials stores	625	2,100
Catering stores	433,500	36,700
Less: Impairment allowance	-	-
Total Inventories at lower of Cost and Net Realizable Value	454,555	52,400

17. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2024 (previous year)	-	-	-	-	-	12,617,896	-	-	12,617,896
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-	-
At 30th June 2024 (previous FY)	-	-	-	-	-	12,617,896	-	-	12,617,896
Additions	-	-	-	-	-	21,747,840	-	-	21,747,840
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
At 30th June 2025 (current year)	-	48,127,675	22,441,639	240,500	-	34,365,736	-	-	105,175,550
Depreciation And Impairment									
At 1 Jun 2024 (previous year)	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
At 30 Jun 2025 (current year)	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
At 30th Jun 2025 (current year)	-	48,127,675	22,441,639	240,500	-	34,365,736	-	-	105,175,550
Net Book Values									

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June 2025

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (specify)	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 30 th Jun 2024 (<i>previous year</i>)	-	-	-	-	-	12,617,896	-	-	12,617,896
At 30 th Jun 2025 (<i>current year</i>)	-	48,127,675	22,441,639	240,500	-	34,365,736	-	-	105,175,550

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June 2025

Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). delete if no revaluation

32 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0		0
Buildings	48,127,675	0	48,127,675
Plant And Machinery	22,441,639	0	22,441,639
Motor Vehicles including Motorcycles	34,365,736	0	34,365,736
Computers and Related Equipment	0	0	0
Office Equipment, Furniture, And Fittings	240,500	0	240,500
Total	105,175,550	0	105,175,550

18. Refundable Deposits from Students

Description	2024/2025 FY		2023/2024 FY	
	Kshs		Kshs	
Consumer deposits	-		-	
Caution money	111,500		111,500	
Other refundable deposits	-		-	
Total Deposits	111,500		111,500	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (to tie to totals deposits above)	-	%	-	%

19. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2024/2025 FY	2023/2024 FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation		-	-	318,939	153,264
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation		-	-	318,939	153,264

Retirement benefit Asset/ Liability

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-
Mortality (Post- Retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	-	-

Recognition of Retirement Benefit Asset/ Liability

- a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (<i>specify</i>)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Remeasurement of the net defined benefit liability (asset)	-	-

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June 2025

b) Amounts recognised in the Statement of Financial Position

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	(-)	(-)
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others (<i>specify</i>)	-	-
Net asset or liability arising from defined benefit obligation	-	-

Narok West TTI

Annual Report and Financial Statements for the year ended 30th June 2025

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 12,772 for all Institute employees. The amount per employee per month depends on the tiers set out. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

20. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024 (previous year)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
At 30 June 2025 (current year)				
Receivables from exchange transactions	-	-	-	-

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

(NB: The totals column should tie to the individual elements of credit risk disclosed in the entity's statement of financial position)

Financial risk management (continued)

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

The entity has no significant concentration of credit risk.

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024 (previous year)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2025 (current year)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-

Narok West TTI**Annual Report and Financial Statements for the year ended 30th June 2025**

Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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

Foreign currency sensitivity analysis

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
2025			
Euro	10%	-	-
Usd	10%	-	-
20xx			
Euro	10%	-	-
Usd	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

iv) Capital Risk Management

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

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-

Narok West TTI**Annual Report and Financial Statements for the year ended 30th June 2025**

Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash and Cash Equivalents)	-	-
Gearing	-%	-%

21. Related Party Balances**Nature of related party relationships**

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

Government of Kenya

The Government of Kenya is the principal shareholder of the Institute, holding 100% of the Institute's equity interest.

22. Contingent Assets and Contingent Liabilities**23. Events After The Reporting Period**

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

24. Ultimate and Holding Entity

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

25. Currency

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

**Narok West TTI
Annual Report and Financial Statements for the year ended 30th June 2025**

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Inaccuracies in the financial statements	The inaccuracies were corrected.	Resolved	Done
2.	Undisclosed Use of Goods and Services Expenses	The revenues were provided in the reply to the draft report.	Resolved	Done
3.	Unsupported Receivables Balance	The receivables were provided.	Resolved	Done
4.	4. Property, Plant and Equipment and Intangible Assets 4.1 Lack of Ownership Documents 4.2 Non-disclosure of Fixed and Intangible Assets in the Financial Statements	The Institute land was donated by the community out of the unregistered community land. The demarcation and registration of the community land is still ongoing. Therefore, the cost of the land cannot be determined since the demarcation of the community land and the subsequent mutation to get the Institute land followed by registration is still on going. The Agricultural Machinery Equipment was valued and they are included in this financial statement. However, the process of registering them with the National Transport and Safety Authority (NTSA) for acquisition of logbooks and number plates is ongoing. Valuation of ICT equipment and furniture supplied by the government is ongoing.	Not resolved	9 Months
5.	Budgetary Control and Performance	The Institute budget is based on the number of students admitted. We were able to admit the budgeted number of students. The	Resolved	Done

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																		
		Institute also has a major challenge of lack of accommodation space. We could not admit more students. Also, we were not able to collect all the fees due.																				
6.	Unresolved Prior year Matters	<table border="1"> <thead> <tr> <th>S/No</th> <th>AUDIT QUERRY (2022/2023 FY)</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Non-disclosure and Ownership of Property, Plant and Equipment</td> <td>Partly Resolved Assets valued and asset register kept</td> </tr> <tr> <td>(ii)</td> <td>Variances in the Statement of Financial Performance</td> <td>Resolved</td> </tr> <tr> <td>(iii)</td> <td>Irregular Cash Purchases</td> <td>Resolved Procurement officer employed</td> </tr> <tr> <td>(iv)</td> <td>Non-compliance with Registration and Licensing of Trainers</td> <td>Resolved The two unregistered trainers were redesignated as technicians</td> </tr> <tr> <td>(v)</td> <td>Failure to develop a Risk Management Policy</td> <td>Resolved Risk Management Policy approved</td> </tr> </tbody> </table>	S/No	AUDIT QUERRY (2022/2023 FY)	STATUS	(i)	Non-disclosure and Ownership of Property, Plant and Equipment	Partly Resolved Assets valued and asset register kept	(ii)	Variances in the Statement of Financial Performance	Resolved	(iii)	Irregular Cash Purchases	Resolved Procurement officer employed	(iv)	Non-compliance with Registration and Licensing of Trainers	Resolved The two unregistered trainers were redesignated as technicians	(v)	Failure to develop a Risk Management Policy	Resolved Risk Management Policy approved	Resolved	Done
S/No	AUDIT QUERRY (2022/2023 FY)	STATUS																				
(i)	Non-disclosure and Ownership of Property, Plant and Equipment	Partly Resolved Assets valued and asset register kept																				
(ii)	Variances in the Statement of Financial Performance	Resolved																				
(iii)	Irregular Cash Purchases	Resolved Procurement officer employed																				
(iv)	Non-compliance with Registration and Licensing of Trainers	Resolved The two unregistered trainers were redesignated as technicians																				
(v)	Failure to develop a Risk Management Policy	Resolved Risk Management Policy approved																				
7.	Non-compliance with Law on Ethnic Composition	<p>The analysis of the staff list by ethnicity is as follows:</p> <table border="1"> <thead> <tr> <th>ENTRY MODE</th> <th>TRIBE</th> <th>No.</th> <th>PERC.</th> </tr> </thead> <tbody> <tr> <td>Employed</td> <td>Maasai</td> <td>19</td> <td>45.24%</td> </tr> <tr> <td>Transferred</td> <td>Kalenjin</td> <td>15</td> <td>35.71%</td> </tr> <tr> <td>TOTAL</td> <td>Kisii</td> <td>4</td> <td>9.52%</td> </tr> </tbody> </table>	ENTRY MODE	TRIBE	No.	PERC.	Employed	Maasai	19	45.24%	Transferred	Kalenjin	15	35.71%	TOTAL	Kisii	4	9.52%	Resolved	Done		
ENTRY MODE	TRIBE	No.	PERC.																			
Employed	Maasai	19	45.24%																			
Transferred	Kalenjin	15	35.71%																			
TOTAL	Kisii	4	9.52%																			

Narok West TTI
Annual Report and Financial Statements for the year ended 30th June 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)									
		<table border="1"> <tr> <td>Kikuyu</td> <td>3</td> <td>7.14%</td> </tr> <tr> <td>Luo</td> <td>1</td> <td>2.38%</td> </tr> <tr> <td>TOTAL</td> <td>42</td> <td>100%</td> </tr> </table> <p>The total employees' list comprises of 19 Maasais which is 45.24% while Kalenjins are 15 which is 35.71%. The Institute is in Maasai land and the Maasai ethnic group is a minority and marginalized tribe who should be given preference as per the Kenyan Constitution, Article 56. It is also worth noting that Maasai and Kalenjin are the dominant tribes in Narok West constituency.</p>	Kikuyu	3	7.14%	Luo	1	2.38%	TOTAL	42	100%		
Kikuyu	3	7.14%											
Luo	1	2.38%											
TOTAL	42	100%											
8.	Lack of an Approved Staff Establishment	The institute adopted the Public Service Commission (PSC) Scheme of Service and all Board of Governors (BOG) staff are placed and remunerated according to it. The staff establishment is contained in the Strategic Plan and the process of being developing and approving the stand alone document is ongoing.	Not Resolved	3 months									


.....

Name: David K. Maru,
Accounting Officer
(PRINCIPAL)
Date: 28th November, 2025

