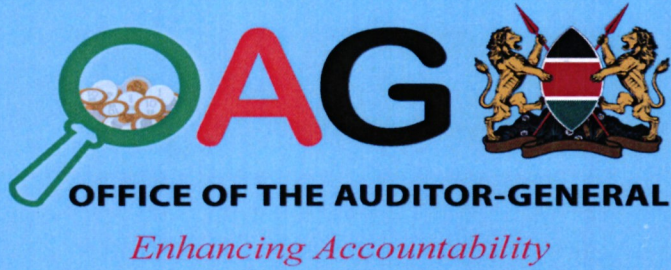


REPUBLIC OF KENYA



REPORT

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THE NATIONAL ASSEMBLY	
DATE: 05 JUL 2023	
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OF

THE AUDITOR-GENERAL

ON

**NAROK WEST TECHNICAL TRAINING
INSTITUTE**

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



NAROK WEST TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE, 2022

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

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Table of Contents

I.	Key Narok West Technical Training Insitute Information and Management.....	iv
II.	The Board of Governors.....	vi
III.	Management Team.....	ix
IV.	Chairman's Statement.....	xi
V.	Report of the Principal.....	xiii
VI.	Statement of Performance against Predetermined Objectives.....	xix
VII.	Corporate Governance Statement.....	xx
VIII.	Management Discussion and Analysis.....	xxv
IX.	Environmental and Sustainability Reporting Statement.....	xxvi
X.	Report of the Board of Governors.....	xxviii
XI.	Statement of Board of Governor's Responsibilities.....	xxix
XII.	Report of the Auditor General on Narok West Technical Training Institute.....	xxx
XIII.	Statement of Financial Performance for the year ended 30 June 2022.....	1
XIV.	Statement of Financial Position as at 30th June 2022.....	3
XV.	Statement of Changes in Net Asset for the year ended 30 June 2022.....	5
XVI.	Statement of Cash Flows for the year ended 30 June 2022.....	6
XVII.	Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022.....	8
XVIII.	Notes to the Financial Statement.....	9
XIX.	Appendices.....	36

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

I. Key Institute Information and Management

(a) Background information

The Institute was incorporated/ established under the Technical, Vocational Education and Training Act on 21st December, 2016 through registration by Technical, Vocational Education and Training Authority 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, Applied Technology and ICT.

(b) Principal Activities

Our principal activity is Technical, Vocational Education and Training as per the Technical, Vocational Education and Training Act, 2003. Our vision is to be a centre 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
- Accountant

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	David K. Maru
2.	Deputy Principal	James Kinara Basweti
3.	Registrar (s)	Jane Chepkogei
4.	Dean of students	Samuel Rotiken
5.	Head of Finance	Jane R. Koila

(e) Fiduciary Oversight Arrangements

- The Board of Governors (BOG) has overall oversight responsibility.

(f) Narok West Technical Training Institute Headquarters

P.O. Box 1150-20500,
Narok, KENYA.
8 Km from the Narok-Bomet Road along the old Maasai Mara Road

(g) Narok West Technical Training Institute Contacts

Telephone: (254) 701-807 410
E-mail: narokwesttti@gmail.com
Website: www.narokwestti.ac.ke

(h) Narok West Technical Training Institute Bankers

Kenya Commercial Bank
P.O. Box 406-20500,
Narok, Kenya




(i) Independent Auditors

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




(j) Principal Legal Adviser

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



II. The Board of Governors

No.	Member/ Director	Details
1.	 MR. FRANCIS OLE KOROS	<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>
2.	 MRS. MARGARET MUGA NYAKUNE	<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>
3.	 MS. SHIRLEY LEKEN TOME	<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>

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

<p>4.</p>	 <p>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.</p>	 <p>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.</p>	 <p>MR. JACKSON RIMOINE MAITAI</p>	<p>Date of Birth: 1994</p> <p>Qualifications: Bachelor of Science in IT, JKUAT</p> <p>Experience: 4 years as IT expert in various banks: 2 years in National Bank, 1 year in CBA, 1 year as Fuliza technical team and currently with Kenya Pipeline IT department. Currently an IT specialist at Kenya Pipeline.</p> <p>Member, Audit, Risk and Compliance Committee</p>



Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

<p>7.</p>	 <p>MRS. OLIVIA ALUOCH ODONGO</p>	<p>Date of Birth: 1962</p> <p>Qualifications: Masters in Educational Administration</p> <p>Experience: 12 years as a trainer in technical institutions, 15 years as an officer at the Directorate of Technical Education then currently the County Director of TECHNICAL, VOCATIONAL EDUCATION AND TRAINING.</p> <p>Member, Education, Training and Research committee and Finance, Governance and Development Committee</p>
<p>8.</p>	 <p>MR. DAVID KIPYEGON MARU</p>	<p>Date of Birth: 2nd November, 1974</p> <p>Qualifications: Bachelor of Education (Technology Education) specializing in Electrical and Electronics Technology.</p> <p>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 Technical Training Institute from 22nd June, 2017 to date.</p>

III. Management Team

No.	Member / Director	Details
1.	 <p>MR. DAVID KIPYEGON MARU B. Ed. (Tech. Ed)</p>	Principal
2.	 <p>James Kinara Basweti B. Ed (Arts) M. Ed.</p>	Deputy Principal
3.	 <p>Jane Chepkogei Bsc (IT)</p>	Registrar

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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

IV. 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 Technical, Vocational Education and Training 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 Technical, Vocational Education and Training (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

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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:

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. Olivia A. Odongo - County Director Technical, Vocational Education and Training (Representing the PS)
8. Mr. David K. Maru - Principal/Secretary

The members representing Engineering and the Governor of Narok County are yet to be appointed. The new Governor of Narok H. E. Hon. Patrick Ole Ntutu has already undertaken to nominate somebody immediately the new PS-VTT is appointed and vetted. The Board held its first meeting on 25th March, 2022 where the 2021/2022 FY budget estimates and quarterly financial reports were presented. This gave the Board a good opportunity to compare estimates and actuals since the FY was nearly over. The great disparity between actuals and estimates was noted and attributed to the failure to receive operational grants of Ksh. 2,000,000 and the missing of student population estimates. This will greatly inform the 2022/2023 budget making process.

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,

there is no reliable source of water. The Institute depends on roof water harvesting supplemented by water fetched from the community borehole which is about 3 km away. The Institute has endeavoured to achieve its core objective of provision of quality Technical, Vocational Education and 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.

V. Report of the 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

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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 as number TVETA/PUBLIC/TVC/0050/2016 in line with the Technical, Vocational Education and Training 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 259 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

The Institute has the following staff statistics:

Staff Category	Staff Population Statistics		
	Male	Female	Total

Public Service Commission (PSC) trainers	11	5	16
Board of Governors (BOG) trainers	4	3	7
Support staff	6	3	9

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

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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.

ACHIEVEMENTS:

1. **Growth in student population** – student numbers have grown steadily from 20 in November, 2018 to 259 in June, 2022 despite a lack of a hostel.
2. **Growth in staff numbers** – the Institute received 4 trainers from the PSC in September, 2019, 4 trainers in February, 2020 and 6 trainers in January, 2021.
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 Technical Training Institute ensures that they acquire the

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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
<u>TOTAL</u>	<u>130</u>	<u>57.02%</u>	<u>98</u>	<u>42.98%</u>	<u>228</u>

4. **Farming activities** – the Institute has a 20-acre piece of land of which about 5 acres comprises main compound and the football field. All the remaining land is under cultivation of maize, beans, vegetables, fruits trees and cow peas. In August, 2021 we harvested 64 bags each of 90Kg of maize and in August, 2022 we harvested 150 bags each of 90 Kg of maize.
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.
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.

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. **No reliable source of water:** The Institute depends on roof water harvesting supplemented by water fetched from the community borehole which is about 3 km away. This has been a major challenge especially with the increasing student population. We did a proposal for a borehole and the Central Rift Valley Water Works Development Agency (CRVWDA) – formerly Rift Valley Water Services Board (RVWSB), approved it. They did the hydrological survey on 11th September, 2021 but were unable to sink the borehole in the 2020/2021 FY due to financial constraints. In the 2021/2022 FY, we have asked the new Narok County Government to assist in drilling a borehole for us.
3. **Lack of land registration documents** – the Institute land was donated by the community from the 300-acre community land. However, the community land has not been properly demarcated and 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 has also agreed to increase the Institute land from the current 20 acres to 100 acres.
4. **Lack of Government operational grants and fourth quarter capitation** – the Institute factored in its budget for the 2021/2022 FY Ksh. 2,000,000 being operational grants at Ksh. 500,000 per quarter. However, it did not receive anything. The Ministry noted that institutions are given operational grants for three years only. Also, there was no quarter four capitation thus a budget deficit of Ksh. 3,492,500 from its main source of revenue: the Government.
5. **Assets Valuation** - The Institute received agricultural engineering equipment, ICT equipment and supply of furniture from the Ministry of Education but the value

of the same was not provided. Efforts to get the information have born no fruits. Our plans to have them valued by either a private or a government valuer have also not been successful due to lack of funds. This is still a challenge.

VI. Statement of Performance against Predetermined Objectives

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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 Technical Training Institute 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 Technical Training Institute achieved its performance targets set for the FY 2021/2022 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 February, 2018 to 259 in June, 2022 -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 and kitchen constructed
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

VII. Corporate Governance Statement

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

The Board held two full Board meetings and one committee meeting in the 2021/2022 FY. This was due to the fact that the appointment letters were received in January, 2022 and the Board inaugurated on 4th February, 2022. The Board was also inducted in June, 2022. The first meeting being was for inauguration held on 4th February, 2022. The second meeting was held on 25th March, 2022 and its main agenda was the 2021/2022 budget estimates. The meeting was also taken through the Institute's status with respect to the period that it was without a Board. The meeting also considered the development of a Strategic Plan for the Institute.

The Board was inducted from 29th June to 1st July, 2022. The meeting was held in Nakuru and organized by the South Rift Region for all new Technical, Vocational Education and Training Boards. The induction was facilitated by senior officers from the Ministry of Education, State Department of Vocational and Technical Training.

The first Board and the current Board have been able to carry out and achieve the following outcomes as summarized in the table below:

YEAR	MEETING DATE	MAIN AGENDA	OUTCOMES	COMMENTS
2017	15-12-2020	<ul style="list-style-type: none"> - Inauguration - Appointment of account signatories and opening of bank accounts 	Successfully completed	Institute became operational
	10-1-2018	<ul style="list-style-type: none"> - Admission workplan - Approval of courses - Approval of management documents - Student mobilization strategies 	The documents including budget, fee's structure, rules and regulations, academic policy and admission documents were approved and are still in use to date. On 5-2-2018 we admitted 6 students and by end of term in 30-3-2018 we had 12 students.	Admission of students was successful
2018	20-7-2018	<ul style="list-style-type: none"> - CDF project - 2018/2019 FY Budget estimates 	The CDF project comprising of pit latrines were approved for construction using labour contract thus increase from two blocks of 2-door to three blocks of 9-doors. The budget estimates were approved and implemented successfully.	Project was completed successfully with no queries from the National NG-CDF auditors.
	25-1-2019	<ul style="list-style-type: none"> - Report on Institute progress - Plans for 2019 	Progress in terms of students, staff, projects and financial reports were discussed and 2019 plans for the same were set. This led to student population moving from 14 to 101 in 2019.	
2019	16-6-2019 (Special)	- Student's interruption of Hon. MP's movement	This was a special meeting after students interrupted Hon. Tongoyo's movement.	The matter was resolved amicably and the MP is currently friend of the Institute.

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

YEAR	MEETING DATE	MAIN AGENDA	2019/2020 budget estimates - Stakeholder's meeting	The budget was approved and implemented successfully but the stake holders meeting was never held due to lack of funds.	Approved budget implemented successfully
YEAR	MEETING DATE	MAIN AGENDA	OUTCOMES	COMMENTS	COMMENTS
	16-8-2019		- 2019/2020 budget estimates - Stakeholder's meeting		
	26-6-2020 (Held online)	- Report on students - Report on staff - Financial status		Due to lack of funds, the Board had not met from August, 2019 to June, 2020. Therefore, the Board appreciated the developments on student population, staff numbers and the current financial status.	Institute operating well
2020	15-07-2020	- The 2020/2021 FY budget - Plans for reopening in September, 2020		The budget estimates were approved and projects towards reopening were approved. The Institute was able to reopen on 2 nd November, 2020 as per the letter by the PS, VTT.	Projects approved – fence, gate, shade, kitchen, tables, water tanks and COVID-19 measures put in place.
	27-11-2020	- Projects - COVID-19 measures - 2020/2021 Q1 FY report - End of the BOG's term report		The completed projects were inspected and members were presented with the project documents. The COVID-19 measures in place were discussed and approved as amended, the 2020/2021 quarter 1 financial report was approved and the end of BOG's term report was presented and approved with amendments.	The meeting was held 7 days after the term of the Board expired after being postponed earlier due to unavoidable circumstances.
	4-02-2022	- Inauguration of the New Board		Successfully completed	The members were ready to embark on the

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

2022	25-03-2022	<p>Institute Status Report</p> <ul style="list-style-type: none"> - The 2021/2022 FY Budget Estimates -Strategic Plan for 2022-2027 	<p>The Board was informed of the developments in the Institute from 20th November, 2020 when the term of the first Board expired to 4th February, 2022 when they were inaugurated. The also looked at the 2021/2022 FY budget estimates and approved them though the FY was far much gone. The process of development of the Strategic Plan was laid down.</p> <p>Members were trained on their role as the Board members with respect to the Institute management, Ministry, financial management, procurement, human resource, resource mobilization, corporate management, legal status among others.</p>	<p>work ahead</p> <p>The Board appreciated the managements in the operations in the period without a Board though development of the strategic plan was delayed.</p> <p>Facilitators from the Ministry of Education</p>
	29-06 to 1-07-2022	<ul style="list-style-type: none"> - Board Induction 		

VIII. Management Discussion and Analysis

In the 2021/2022 financial year (FY), the Institute received quarter I, II and III capitation funds totalling up to Ksh. 4,132,500 but the quarter IV capitation was not received. The Institute closed the 2021/2022 FY with Ksh. 954,430 in the bank account and Ksh. 2,635 in cash. The amount in the bank at the close of the FY was high because we received Ksh. 1,492,500 as quarter III capitation fees on 3rd June, 2022. The Institute was able to close the FY with zero pending bills.

The Institute was able to complete the fence around the main building with a gate for controlling the Institute land comprising of cedar posts and five strands of wire. This really helped protect our maize, beans, vegetables and trees from the neighbours' cattle.

The Institute was greatly affected lack of funds given that we had Ksh. 2,000,000 being operational grants at Ksh. 500,000 per quarter budgeted for but not received. The Ministry noted that institutions are given operational grants for three years only. Also, there was no quarter four capitation fees of Ksh. 1,492,500 thus a budget deficit of Ksh. 3,492,500. 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, no major expenditure and development projects could be undertaken.

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 2021/2022 FY performance contract as per Government guidelines. Reporting to various organs is done on quarterly basis while the main evaluation is done annually.

The major risks facing the Institute especially in the post COVID-19 era is the reduction in student population given the poor financial status of our main stakeholders – the parents. Our location in the Mara means that most of our parents/guardians are dependent on tourism activities. Due to the pandemic, most of them were unable to pay their institute fees. Also, our partner the Maasai Mara Wildlife Conservancies Association (MMWCA) has had to turn its attention to supporting conservancies to pay game wardens to ensure animals are taken care of given that the conservancies have zero income in the absence of tourists. Also, the MMWCA contract ended on 31st December, 2022 thus we are now fully dependent on the parents and government capitation. This means that their support to the students is rather reduced. Our Income Generating Activities (IGA) mainly vegetables, beans and maize suffered due to the unfavourable weather this FY.

The Institute was without a Board from November, 2020 up to 4th February, 2022 thus we have lost a lot in terms of corporate management. A number of items were never accomplished including the development of a strategic plan and approval of the quarterly financial and performance contracting documents.

IX. 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/Citizen first, delivering relevant services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar:

1. **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 sponsorship 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. However, in the 2021/2022 FY our farming activities did not do very well due to unfavourable climatic conditions.
2. **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.
3. **Employee welfare** – The Institute practices a non-discrimination policy in hiring of staff. This is done competitively with the vacancies being advertised widely. All the applicants are analysed and a few competitively shortlisted then invited for interviews under the BOG. During the 2020/2021 FY, the institute used this procedure to advertise, shortlist and interview for a Hairdressing and Beauty Therapy trainer and a Fashion and Design Trainer. The process was successful and two ladies were employed to fill the vacancies. In 2021/2022 FY no vacancies were offered not advertised thus there were no changes in the staff.
The Institute has sixteen (16) Public Service Commission (PSC) trainers: eleven (11) males and five (5) females giving a gender ratio of 68.75% to 31.25% being male to female ratios. The trainers under BOG are seven (7) with four (4) males and three (3) females thus a 57.14% to 42.86% male to female gender ratio. The support staff under BOG are nine (9) with six (6) males and three (3) females thus a 66.67% to 33.33% male to female gender ratio. 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.
4. **Market place 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.
- e)* **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 have 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.

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

X. Report of the Board of Governors

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

Principal activities

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

Results

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

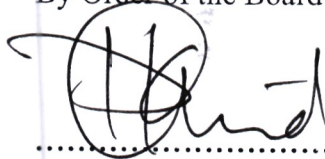
Board of Governors

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

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,
Narok.

Date:

11/5/2023



XI. Statement of Board of Governor'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, 2022. This responsibility includes:


- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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, 2022, 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 5th August, 2022 in the Board meeting held the same day.

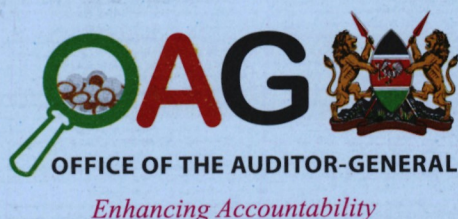

.....
Mr. Francis Ole Koros,
Chairperson of the Board


.....
Mr. 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, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Narok West Technical Training Institute set out on pages 1 to 41, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

Report of the Auditor-General on Narok West Technical Training Institute for the year ended 30 June, 2022

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, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Non-Disclosure and Ownership of Property, Plant and Equipment

The statement of financial position and as disclosed in Note 17 to the financial Statements reflects a nil balance for property, plant and equipment. However, physical verification and review of records revealed that the institute has assets which includes land, buildings, furniture, computers and equipment including donated equipment worth USD 1,153,482. In addition, ownership documents, valuation reports and the fixed asset register were not provided for audit.

In the circumstances, the accuracy, completeness and ownership of nil balance on property, plant and equipment could not be confirmed.

2. Variances in the Statement of Financial Performance

The statement of financial performance reflects tuition fees of Kshs.6,755,173. However, the supporting ledger reflects Kshs.6,634,250 resulting to an unexplained variance of Kshs.120,923. Further, the statement reflects employee costs of Kshs.3,613,512 while the payrolls reflect Kshs.3,096,130 resulting to unexplained variance of Kshs.517,382. In addition, the statement reflects use of goods and services of Kshs.6,471,254 while the general ledger reflects Kshs.6,094,664 resulting to unexplained variance of Kshs.376,590.

In the circumstances, the accuracy and completeness of the statement of financial performance 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 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.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget Kshs.33,266,208 and actual amount on a comparable basis of Kshs.14,569,173 resulting to receipts shortfall of Kshs.18,697,035 or 56% of the budget. Similarly, the Institute spent Kshs.10,497,766 against an approved budget of Kshs.33,266,208 resulting to under-expenditure of Kshs.22,768,442 or 68% of the budget.

The revenue shortfall and under expenditure may have had negative impact on service delivery.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Cash Purchases

The statement of financial performance reflects use of goods and services of Kshs.6,417,254 as disclosed in Note 10 to the financial statements. The amount includes cash purchases of Kshs.2,233,572 which were not supported with Kenya Revenue Authority Electronic tax receipt, inspection and acceptance reports, counter receipts note, bin cards and stores ledgers. In addition, the amount exceeded Kshs.50,000 threshold reflected in the Second Schedule. This was contrary to Regulation, 92 (a) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity may use low value procurement method under section 107(b) of the Act, where the estimated cost of the goods, works or services being procured per item per financial year is as per the threshold matrix in the Second Schedule.

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

2. Unlicensed Trainers

The statement of financial performance reflects employee costs of Kshs.3,613,512 as disclosed in Note 11 to the financial statements. The amount includes Kshs.1,529,120 paid to trainers not licensed and registered by the Board. This was contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 which requires any person who intends to become a trainer in an Institution to apply for licensing and registration by the Board.

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

3. Failure to Develop a Risk Management Policy

During the year under review, Management did not put in place a risk management policy and therefore there were no approved processes and guidelines on how to mitigate operational, legal and financial risks. This is contrary to Regulation 165 of the Public Finance Management (National Government) Regulations, 2016 which provides for the development risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

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

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

REPORT ON 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and the Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become


inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gatirunda, CBS
AUDITOR-GENERAL

Nairobi

16 June, 2023

Report of the Auditor-General on Narok West Technical Training Institute for the year ended 30 June, 2022

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

XIII. Statement of Financial Performance for the year ended 30 June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	7,625,000	5,832,500
Grants from donors and development partners		-	-
Transfers from other levels of government		-	-
Public contributions and donations		-	-
		7,625,000	5,832,500
Revenue from Exchange transactions			
Rendering of services- fees from students	7	6,755,173	2,405,050
Sale of goods	8	189,000	-
Rental revenue from facilities and equipment		-	-
Finance income		-	-
Other income	9	-	99,393
		6,944,173	2,504,443
Revenue from Exchange transactions			
Total Revenue		14,569,173	8,336,943
Expenses			
Use of goods and services	10	6,471,254	3,835,648
Employee costs	11	3,613,512	3,309,664
Board Expenses	12	413,000	-
Depreciation and amortization expense		-	-
Repairs and maintenance	13	139,686	453,866
Contracted services		-	-
Grants and subsidies		-	-
Finance costs		-	-
Total Expenses		10,637,452	7,599,178
Other Gains/(Losses)		3,931,721	737,765
Gain on sale of assets		-	-
Unrealized gain on fair value of investments		-	-
Impairment loss		-	-
Total Other Gains/(Losses)		-	-
Net surplus for the year		3,931,721	737,765

Restated

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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

F.O.K

.....
Chairman of Board

Date: *11/5/2023*

~~*JAK*~~

.....
Finance Officer

ICPAK No: *30718*

Date: *11-5-2023*

[Signature]

.....
Principal

Date: *11/5/2023*



Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

XIV. Statement of Financial Position as at 30th June 2022

	Notes	2021 2022	2020 2021
		KShs	KShs
Assets			
Current Assets			
Cash and cash equivalents	14	957,065	1,518,774
Current portion of receivables from exchange transactions	15	1,478,360	195,630
Receivables from non-exchange transactions	16	3,277,500	-
Inventories		-	-
Investments		-	-
Non-Current Assets			
Long term receivables from exchange transactions		-	-
Investments		-	-
Property, plant, and equipment	17	-	-
Intangible assets		-	-
Investment property		-	-
Total Assets		5,712,925	1,714,404
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions		-	-
Refundable deposits from customers	18	64,000	22,500
Current provisions		-	-
Finance lease obligation		-	-
Current portion of borrowings		-	-
Deferred income		-	-
Employee benefit obligation	19	2,800	2,200
Payments received in advance		-	-
Non-Current Liabilities		66,800	24,700
Finance lease obligation		-	-
Deferred income		-	-
Non-Current Employee Benefit Obligation		-	-
Non-Current Provisions		-	-
Borrowings		-	-

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Description	Notes	2021/2022	2020/2021
		KShs	KShs
Service Concession Liability		-	-
Deferred Tax Liabilities		-	-
Total Liabilities		66,800	
Net Assets		-	
Reserves		-	
Accumulated Surplus		5,646,125	
Capital Fund		-	-
Total Net Assets and Liabilities		5,712,925	1,714,404

R :Restated

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

[Handwritten Signature]

.....
Chairman of Board

[Handwritten Signature]

.....
Finance Officer

ICPAK No: 30718

[Handwritten Signature]

.....
Principal

Date: 11-5-2023

Date: 11-5-2023

Date: 11-5-2023



INAROK WEST TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

XV. Statement of Changes in Net Asset for the year ended 30 June 2022

Description	Students	Revaluation reserve	Fair value adjustment reserve	Development Grants/Fund earnings	Development Grants/Fund
Debtors					
At July 1, 2020		-	-	976,639	976,639
Revaluation gain		-	-	-	-
Fair value adjustment on quoted investments		-	-	-	-
Total comprehensive income		-	-	737,765	737,765
Capital/development grants received during the year		-	-	-	-
Transfer of depreciation/amortisation from capital fund to		-	-	-	-
Retained earnings					
At June 30, 2021				1,714,404	1,714,404
At July 1, 2021			-	1,714,404	1,714,404
Revaluation gain		-	-	-	-
Fair value adjustment on quoted investments		-	-	-	-
Total comprehensive income		-	-	-	-
Capital/development grants received during the year		-	-	3,931,721	3,931,721
Transfer of depreciation/amortisation from capital fund to		-	-	-	-
Retained earnings				5,646,125	5,646,125

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XVI. Statement of Cash Flows for the year ended 30 June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other government entities/govt. Grants	6	3,277,500	5,832,500
Public contributions and donations		-	-
Rendering of services- fees from students	7	6,466,855	2,209,420
Sale of goods	8	189,000	-
Rental revenue from facilities and equipment		-	-
Finance income		-	-
Other income		-	99,393
Total Receipts		9,933,355	8,141,313
Payments			
Compensation of employees	11	3,613,445	3,309,664
Use of goods and services	10	6,471,254	3,835,648
Board Expenses	12	413,000	
Finance cost		-	-
Rent paid		-	-
Taxation paid		-	-
Other payments		-	453,866
Grants and subsidies paid		-	-
Total Payments		10,497,699	7,599,178
Net Cash Flows from operating activities		(564,344)	542,135
-Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	-
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			
Deposits receipts		-	
Net cash flows used in financing activities		(-)	(-)
Net Increase/(Decrease) in Cash and Cash equivalents		(564,344)	542,135
Cash and Cash equivalents as at 1 JULY, 2021		1,518,774	976,640
Cash and Cash equivalents at 30 JUNE 2022		954,430	1,518,774

The Financial Statements set out on page 6 were signed by:

F.O.K.

.....
Chairman of Board

Date: 11.5.2023

JPK

.....
Finance Officer

ICPAK No: 30718

Date: 11-5-2023

D. D. D.

.....
Principal

Date: 11/5/2023



XVII. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022

Description	Original budget		Adjustments		Final budget		Actual on comparable basis		Percentage difference	
	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	Kshs	2021-2022	%
Revenue										
Transfers from other govt entities and govt grants	10,205,000		-		10,205,000		7,625,000	2,580,000	25.28%	
Public contributions and donations	-		-		-		-	-		
Rendering of services- fees from students	20,891,208		-		20,891,208		6,755,173	14,136,035	67.66%	
Sale of goods	-		-		-		-	-		
Finance income	-		-		-		-	-		
Other income	2,170,000		-		2,170,000		189,000	1,981,000	91.29%	
Gains on disposal, rental income and agency fees	-		-		-		-	-		
Total Income	33,266,208		-		33,266,208		14,569,173	18,697,035	56.20%	
Expenses										
Compensation of employees	3,600,000		-		3,600,000		3,613,512	-13,512	-0.38%	
Use of goods and services	29,666,208		-		29,666,208		6,884,254	22,781,954	76.79%	
Finance costs	-		-		-		-	-		
Rent paid	-		-		-		-	-		
Remuneration of directors	-		-		-		-	-		
Grants and subsidies paid	-		-		-		-	-		
Total Expenditure	33,266,208		-		33,266,208		10,497,766	22,768,442	68.44%	
Surplus For the Period										

Transfers from other govt entities and govt grants (25.28%) - We did not receive capitation funds for quarter 4 and all artisan students without KCSE were not funded by the government through capitation.

Rendering of services - fees from students (67.66%) – We did not achieve the student population planned for in the budget. We budgeted for 365 students but we could only mobilize 259 students in the financial year. Also, all students were not able to pay all their fees.

Use of goods and services (76.79%) – Since we were unable to attain 100% revenues as per budget, we could only spend what we received thus our expenses were lower than the budgeted amount since it was a balanced budget.

XVIII. Notes to the Financial Statements

1. General Information

Narok West Technical Training Institute is established by and derives its authority and accountability from Technical, Vocational Education and Training Act, 2003. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is technical training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, 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.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.

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

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

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

**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Standard	Effective date and impact:
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that Narok West Technical Training Institute provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the Narok West Technical Training Institute;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Narok West Technical Training Institute’s financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement

Narok West Technical Training Institute

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

Standard	Effective date and impact:
	Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1 st January 2023.
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of Narok West Technical Training Institute.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

iii. Early adoption of standards

Narok West Technical Training Institute did not early-adopt any new or amended standards in year 2022.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

Narok West Technical Training Institute 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 Narok West Technical Training Institute.

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or Narok West Technical Training Institute's right to receive payments is established.

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Board on **25th March, 2022** after inauguration of the second Board. No Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

The Institute'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 a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

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

c) Taxes

Current income tax

Narok West Technical Training Institute is exempt from paying taxes as per schedule of the ***Income Tax*** Act CAP 470.

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.

Notes to the Financial Statements (Continued)

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 a period of xxx years.

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

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

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 of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, Narok West Technical Training Institute 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to Narok West Technical Training Institute. 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. Narok West Technical Training Institute also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that Narok West Technical Training Institute 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 Narok West Technical Training Institute. 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

h) Research and development costs

Narok West Technical Training Institute's expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Narok West Technical Training Institute 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

j) Inventories

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

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

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of Narok West Technical Training Institute.

k) Provisions

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

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

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

Contingent liabilities

Narok West Technical Training 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

Narok West Technical Training 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 Narok West Technical Training 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

Narok West Technical Training Institute creates and maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

Narok West Technical Training 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.

n) Employee benefits

Retirement benefit plans

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

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

o) Foreign currency transactions

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

p) Borrowing costs

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

Narok West Technical Training 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, Narok West Technical Training Institute recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, Narok West Technical Training Institute also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at 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.

t) Comparative figures

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

u) Subsequent events

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

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

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

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

Narok West Technical Training Institute
 Annual Report and Financial Statements for the year ended 30th June 2022
 Notes to the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	2021-2022 Kshs	2020-2021 Kshs
Unconditional Grants		
Capitation Grants	2,000,000	1,500,000
Operational Grant	5,625,000	4,332,500
Other Grants	7,625,000	5,832,500
Conditional Grants	-	-
Library Grant	-	-
Hostels Grant	-	-
Administration Block Grant	-	-
Laboratory Grant	-	-
Learning Facilities Grant	-	-
Other Organizational Grants	-	-
Total Government Grants and Subsidies	7,625,000	5,832,500

(a) Transfers from other Government entities (Categorized)

Name Of The Narok West Technical Training Institute Sending The Grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognised in capital fund. Kshs	Total grant income during the year Kshs	2020-2021 Kshs
Ministry of Education -State Department of Vocational and Technical Training	7,625,000	-	7,625,000	7,625,000	5,832,500
Total	7,625,000	-	7,625,000	7,625,000	5,832,500

Notes to the Financial Statements (Continued)

7. Rendering of Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	1,293,000	2,405,050
Activity Fees	172,400	-
Industrial Attachment Fees	-	-
Examination Fees	-	-
Library Fees	215,500	-
Facilities And Materials	5,010,273	-
Registration Fees	64,000	-
Others (<i>Specify</i>)	-	-
Total Revenue from The Rendering Of Services	6,755,173	2,405,050

8. Sale of Goods

Description	2021-2022	2020-2021
	Kshs	Kshs
Sale of Books	-	-
Sale of Publications	-	-
Sale of Farm Produce	189,000	-
Cafeteria sales	-	-
Other	-	-
Total Revenue from Sale of Goods	189,000	-

9. Other Income

Description	2021-2022	2020-2021
	Kshs	Kshs
Insurance recoveries	-	-
Consultancy fees	-	-
Income from sale of tender	-	-
Services concession income	-	-
Reimbursements and refunds	-	99,393
Graduation fees	-	-
Miscellaneous	-	-
Total other income	-	99,393

Notes to the Financial Statements (Continued)

10. Use of Goods and Services

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	860,750	-
Industrial attachment costs	49,500	-
Electricity	136,298	134,275
Water	-	-
Security	-	-
Professional and consultancy services	-	-
Subscriptions	-	-
Advertising	178,832	-
Examination fees	789,610	-
Audit fees	-	-
Catering, conferences, and delegations	-	-
Travelling and accommodation	1,175,517	-
Fuel and oil	195,188	-
Insurance	-	-
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, Medical, ICT, Student union, Bank charges, Development and IGA)	3,085,559	2,839,693
Total good and services	6,471,254	2,974,468

Narok West Technical Training Institute
 Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

11. Employee Costs

Description	2021-2022 Kshs	2020-2021 Kshs
Salaries and wages	3,613,512	3,309,664
Employee related costs - contributions to pensions and medical aids	-	-
Travel, motor car, accommodation, subsistence and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Social contributions	-	-
Employee Costs	3,613,512	3,309,664

12. Board/Council Expenses

Description	2021-2022 Kshs	2020-2021 Kshs
Chairman's Honoraria	70,000	-
Directors Emoluments	343,000	-
Other Allowances	-	-
Other Board/Council Expenses	-	-
Total	413,000	-

13. Repairs and Maintenance

Description	2021-2022 Kshs	2020-2021 Kshs
Property	139,686	455,366
Investment property – earning rentals	-	-
Equipment and machinery	-	-
Vehicles	-	-
Furniture and fittings	-	-
Computers and accessories	-	-
Total Repairs and Maintenance	139,686	455,366

14. Cash and Cash Equivalents

Description	2021-2022 Kshs	2020-2021 Kshs
Current Account	954,430	1,491,014
On - Call Deposits	-	-
Fixed Deposits Account	-	-
Staff Car Loan/ Mortgage	-	-
Cash in Hand	2635	27,760
Total Cash and Cash Equivalents	957,065	1,518,774

15. Receivables from Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Current Receivables		
Student Debtors	1,478,360	195,630
Rent Debtors	-	-
Consultancy Debtors	-	-
Other Exchange Debtors	-	-
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	1,478,360	195,630

16. Receivables from Non-Exchange transactions

Description	2021-2022 Kshs	2020-2021 Kshs
Current Receivables		
Capitation Grants*	3,277,500	-
Transfers from Other Govt. entities	-	-
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)	-	-
Less: Impairment Allowance	-	-
Total Current Receivables	3,277,500	-

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

17. Property, Plant and Equipment

Cost	Land and Buildings Kshs	Motor vehicles Kshs	Furniture and fittings Kshs	Computers Kshs	Other Assets (Specific) Kshs	Plant and Equipment Kshs	Capital Work in progress Kshs	Total Kshs
At 1 July 2020	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Transfers/Adjustments	-	(-)	(-)	(-)	(-)	(-)	(-)	(-)
At 30th June 2021	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Transfer/Adjustments	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
At 30th June 2022	-	-	-	-	-	-	-	-
Depreciation And Impairment								
At 1 July 2020	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Depreciation	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Impairment	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
At 30 June 2021	-	-	-	-	-	-	-	-
Depreciation and impairment	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Disposals	-	-	-	-	-	-	-	-
Impairment	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Cost	Land and Buildings Kshs	Motor vehicles Kshs	Furniture and fittings Kshs	Computers Kshs	Other Assets (Specify) Kshs	Plant and Equipment Kshs	Capital Work in progress Kshs	Total Kshs
Transfer/Adjustment	-	(-)	(-)	-	(-)	-	(-)	-
At 30 th June 2022	-	-	-	-	-	-	--	-
Net Book Values								
At 30 th June 2022	-	--	-	-	-	-	--	-
At 30 th June 2021	-	-	-	-	--	-	--	-

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

18. Refundable Deposits from Customers/Students

Description	2021-2022	2020-2021
	Kshs	Kshs
Consumer deposits	-	-
Caution money	64,000	22,500
Other refundable deposits	-	-
Total Deposits	64,000	22,500

19. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other provisions	2021-2022	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	200	-	-	200	200
Total Employee Benefits Obligation	2,800	-	-	2,800	2,200

20. Financial Risk Management

Narok West Technical Training Institute'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.

Narok West Technical Training Institute's financial risk management objectives and policies are detailed below:

(i) Credit risk

Narok West Technical Training Institute 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.

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

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 Narok West Technical Training Institute'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 2021				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	--	--	-	--
Bank balances	-	-	-	-
Total	--	--	-	-
At 30 June 2022	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

44. Financial Risk Management (Continued)

(i) Credit risk (continued)

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

Narok West Technical Training Institute has significant concentration of credit risk on amounts due from

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 Narok West Technical Training Institute's Board, who have built an appropriate liquidity risk management framework for the management of Narok West Technical Training Institute's short, medium and long-term funding and liquidity management requirements. Narok West Technical

Narok West Technical Training Institute

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

Training Institute manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

	Less than 1 month	Between 1-3 months	Over 3 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2021				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2022	-	-	-	-
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Income	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

(iii) Market risk

Narok West Technical Training Institute has put in place an internal audit function to assist it in assessing the risk faced by Narok West Technical Training Institute 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 Narok West Technical Training Institute'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.

Narok West Technical Training Institute'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 Narok West Technical Training Institute's exposure to market risks or the manner in which it manages and measures the risk.

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

a) Foreign currency risk

Narok West Technical Training Institute 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 Narok West Technical Training Institute'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 2022			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-		-
Net Foreign Currency Asset/(Liability)	-	-	-

Narok West Technical Training Institute 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.

44. Financial Risk Management (Continued)

(iii) Market risk (Continued)

a) Foreign currency risk (Continued)

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30th June 2022			
Financial Assets (Investments, Cash, Debtors)	-	-	-
Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

a) Foreign currency sensitivity analysis

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

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

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

b) Interest rate risk

Interest rate risk is the risk that Narok West Technical Training Institute'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.

44 Financial Risk Management (Continued)

(iii) **Market risk (Continued)**

b) Interest rate risk(continued)

Sensitivity analysis

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

Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (2022: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2022 – Kshs xxx)

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

iii) Capital Risk Management

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
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 Narok West Technical Training Institute 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 Narok West Technical Training Institute holding 100% of the Narok West Technical Training Institute's equity interest.

22. Events After the Reporting Period

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

23. Ultimate and Holding of Narok West Technical Training Institute

Narok West Technical Training Institute is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

24. Currency

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

**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

**XIX. Appendices
Appendix 1: Implementation Status of Auditor-General Recommendations**

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

	Issues raised by the external auditor	Management comments		
1	<p>Late Submission of Financial Statements: The Financial Statements for the year ended 30th June, 2021 were submitted to the office of the Auditor General on 2nd February, 2022. This is contrary to section 81(4) of the Public Financial Management (PFM) Act 2012 which stipulates that not later than three months after the end of the financial year, the Accounting Officer for Narok West Technical Training Institute shall submit Narok West Technical Training Institute's financial statements to the Auditor General.</p>	<p>The Financial Statement for the 2021/2022 Financial Year were delivered to the office of the Auditor General on 30th September, 2022.</p>	Resolved	30 th September, 2022

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

Reference Number	Description	Management Comments	Status (Resolved/Not Resolved)	Date
2	<p>Unsupported Travel Expenses: The statement of financial performance reflects use of goods and services expenditure of Kshs.3,835,648 for the year ended 30 June, 2021 and as disclosed in Note 8 to the financial statements out of which Kshs.949,185 was spent on domestic travel and subsistence allowances. However, documents indicating purpose of the journey, evidence of travel and actual work being done were not presented for audit verification.</p>	<p>In the 2021/2022 Financial year, all travel expenses were supported by evidence of purpose of the journey, evidence of travel and actual work being done.</p>	Resolved	30 th September, 2022
3	<p>Cash and Cash Equivalents: The statement of financial position reflects cash and cash equivalents of Ksh.1,518,774 and as disclosed under Note 26 to</p>	<p>In the 2021/2022 Financial year, the Cash and Cash Equivalents were fully supported by bank reconciliations and a bank certificate.</p>	Resolved	30 th September, 2022

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

			<p>the financial statements which includes Bank balances Kshs.1,491,014 and cash at hand Kshs.27,760. However, the bank reconciliation statements and cash survey documents as at 30 June, 2021 were not provided for audit verification. In the circumstance, the accuracy and completeness of the cash and cash equivalent balance of Kshs.1,518,774 as at 30 June, 2021 could not be ascertained.</p>
		<p>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 then registration of the Institute land is still on going.</p>	<p>The statement of financial position shows a Nil balance on property plant and equipment. However, an asset register was provided for audit with a list of including land, buildings, furniture, computers and equipment. However, the assets were</p>
	<p>Not resolved.</p>		<p>Undetermined.</p>
			<p>4</p>

**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Reference to the Observations from Management Committee	Status (Resolved/Not Resolved)	
<p>not indicated in the Financial Statements. In the circumstance, the completeness and accuracy of the nil property plant and equipment balance could not be determined.</p>	<p>The computers, furniture and equipment were supplied by the ministry of Education. The cost of the individual items has not been provided. The Ministry provided the cumulative total cost of the Agricultural Machinery Equipment but not the individual item costs. The Institute has tried getting public and private valuers but the costs quoted are way too high for the Institute to afford.</p>	
<p>Lack of a Risk Management Policy: During the year under review, Narok West Technical and Vocational Training College did not have a risk management policy in place and therefore had no approved processes and guidelines on how to mitigate operational, legal and financial risks. In the circumstance, the college is not in compliance with the</p>	<p>The Institute had a new Board of Governors inaugurated on 4th February, 2022 and an Audit committee was put in place. Also, the Institute wrote to Sot Technical Training Institute requesting to use their Internal Auditor to carry out quarterly internal audits for us. The Institute developed a five-year Strategic plan for 2023-2028 and is now being implemented. The Risk Management Policy has been developed but is in the process of being approved by the Board.</p>	<p>Not resolved fully. 30th June, 2023.</p>

Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022

<p>Information from Management's comments</p>	<p>circular that requires that all public institutions develop an institutional risk management policy framework (IRMPF). Further, the management did not prepare a strategic plan for Narok West Technical Training Institute.</p>	<p>Non-compliance with Registration of Trainers: The statement of financial performance for the year ended 30 June, 2021 shows employment costs of Kshs 3,309,664 which includes an amount of Kshs. 281,876 that was paid to trainers who are not licensed and not registered by the board contrary to section 23(1) of the Technical and vocational education and training Act 2013 which requires</p>	<p>A number of trainers are yet to finalize their training in pedagogy which is a requirement for registration and licensing of trainers. They have the professional qualifications in their field of specialization but due to a lack of training as teachers (pedagogy) they are yet to be registered.</p> <p>Not resolved.</p> <p>30th June, 2023.</p>
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**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Reference No. and Description of the Project	Management Comments	Resolution/Action Taken	
	anyone intending to be a trainer in an Institution to be registered by the Technical Vocational and Education Authority. Therefore, the management was in breach of the law.		

.....


David K. Maru,
Accounting Officer

Date: 11/5/2023



**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Projects

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

Project Number	Donor	Period duration	Period commitment	Appropriate authority approval	Agreement signed as per the form attached to the agreement
1					
2					

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Source of funds
1						
2						
3						

**Narok West Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2022**

Appendix III- Inter-Narok West Technical Training Insitute Confirmation Letter

The [insert SC/SAGA/Fund name here] wishes to confirm the amounts disbursed to you as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [insert name of beneficiary Narok West Technical Training Institute] as at 30th June 2022

Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022			Amount Received by [beneficiary Narok West Technical Training Insitute] (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)		
Total						

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

Head of Accountants department of beneficiary Narok West Technical Training Insitute:

Name Sign Date

Appendix IV: Reporting of Climate Relevant Expenditures

Name of the Organization
 Telephone Number
 Email Address
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities				Source Of Funds	Implementing Partners
			Q1	Q2	Q3	Q4		

