

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT DATE: 18 JUN 2025**

DAY:  
Wednesday

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TABLED  
BY:

Hon. Owen Baya, MP  
Deputy leader of Majority

CLERK-AT  
THE-TABLE:

homale

**THE AUDITOR-GENERAL**

**ON**

**BURETI TECHNICAL TRAINING INSTITUTE**

**FOR THE YEAR ENDED  
30 JUNE, 2023**



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**BURETI TECHNICAL TRAINING INSTITUTE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2023**

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

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

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**1. Acronyms & Glossary of Terms**

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
BTTI	Bureti Technical Training Institute
Fiduciary Management	Key management personnel who have financial responsibility in the entity
FOC	Finance and Operations Committee
ARC	Audit and Risk committee
TRC	Training and Research Committee

## **2. Key Entity Information and Management**

### **(a) Background information**

The *institution* was incorporated/ established under the TVET Act/ 2013 of 25<sup>th</sup> January 2013. The entity is domiciled in Kenya and has a branch in Chebwagan. The institute is under the Ministry of Education.

The institute currently has five functional departments namely:

1. Electrical and electronics engineering
2. Building and mechanical engineering
3. Agriculture and social sciences
4. Information communication technology
5. Business studies

### **(b) Principal Activities**

The principal mandate of the *Bureti TTI* is captured in our vision and mission statements as well as our strategic objectives guided by our core values as stated below.

#### **(a) Vision**

To develop a human resource that skilful, flexible and dynamic

#### **(b) Mission**

To objectively meet the needs of the dynamic socio-economic challenges with innovation and creativity

#### **(c) Strategic objectives**

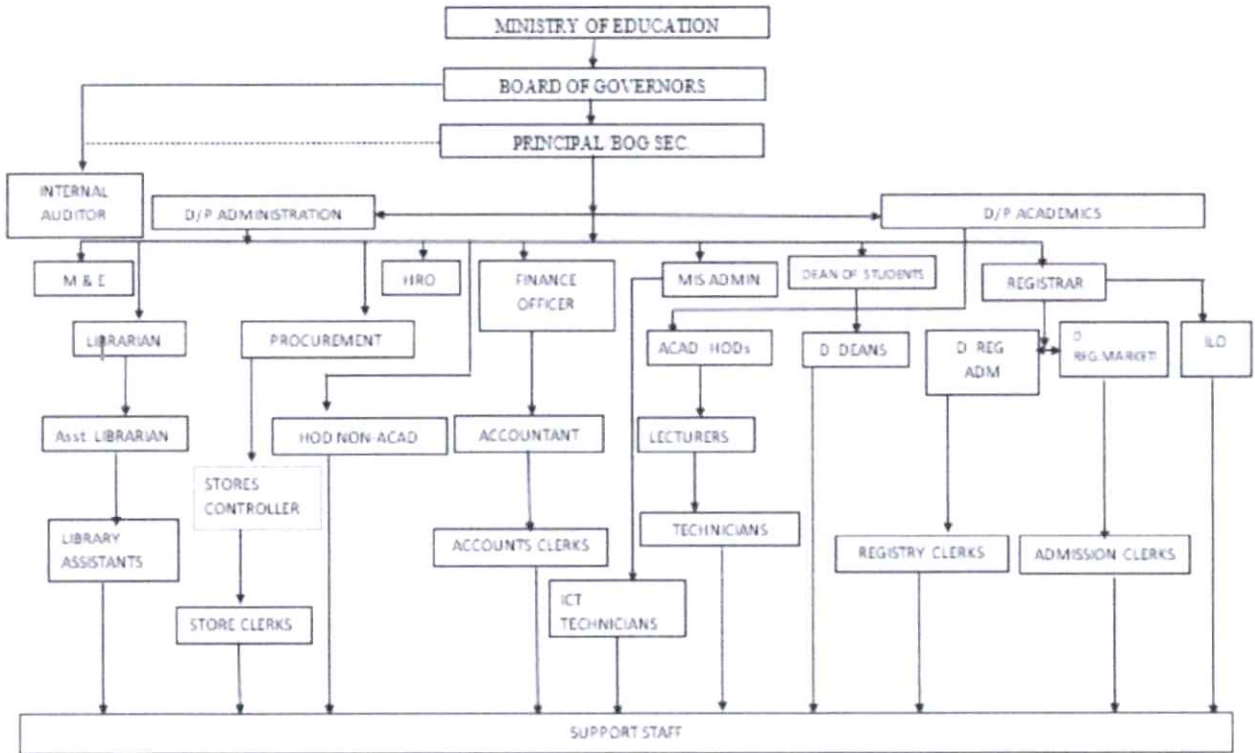
- I. Enhance equity and access
- II. Improve institutes governance
- III. Promote effective application of ICT
- IV. Institutionalize effective research and development
- V. Diversify sources and increase funding
- VI. Develop effective communication internally and externally
- VII. Enhance collaboration and linkages
- VIII. Enhance competitiveness
- IX. Upgrade infrastructure

#### **d) Core Values**

Professionalism  
Integrity  
Accountability  
Efficiency  
Teamwork  
Discipline and hard work  
Respect

**(c) Key Management**

Bureti TTI day-to-day management is under the following key organs:



**(d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Sammy K. Cheruyot
2.	Deputy Principal Administration	Fredrick Keter
3.	Deputy Principal Academics	Anton A. Agesa
4.	Registrar	Collins Simiyu
5.	Ag. Dean of Students	Hillary Koech
6.	Head of Finance	Janeth Chepkirui
7.	Head of Procurement	Weldon Kipronoh
8.	Human Resource Management Officer	Milka cheptoo
9.	Accountant	Hillary Cheruiyot
10.	Internal Auditor	Kipkoech Ngenoh
11.	System Administrator	Benard Kibet Too

**(e) Fiduciary Oversight Arrangements**

The board of governors has three committees in place name;

1. Audit committee with the membership as follows

	<b>Name</b>	<b>Designation</b>	<b>Expertise</b>
i.	Dr. Nyakwara Simon	chairman	HR
ii.	Beatrice Wanjiru	member	ICT
iii.	Irine Ngeno	member	Education
iv.	Hilary Mongera	member	

The responsibility of the committee is to receive and consider reports, make recommendations and advise the Board on:

- ✓ Internal and external audit reports
- ✓ Internal Audit annual plan
- ✓ Internal controls
- ✓ Risk management
- ✓ Compliance to laws, regulations and standards.
- ✓ Governance
- ✓ Governance Audit Reports

**(f) Entity Contacts**

Bureti Technical Training Institute  
P.O. Box 444, 20406  
Off Cheplanget – Sotik Road  
Sotik, Kenya  
Telephone: (254) 0704 453 337  
E-mail: [buretitechnical@gmail.com](mailto:buretitechnical@gmail.com)  
Website: [www.buretitechnical.ac.ke](http://www.buretitechnical.ac.ke)

**(g) Entity Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya  
Kenya Commercial Bank  
Sotik branch  
P.O Box 264-20406  
Sotik, Kenya

**Key Entity Information and Management (Continued)**

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**3. The Board of Governors**



Dr. Kenneth Chelule, PhD  
 Chairman Board of Governors

- Dr. Kenneth Chelule is the Director of Partnership Strategy, Research, and Resource Mobilization at the Special Economic Zones Authority (SEZA).
- Previously, he held the positions of Chief Research Scientist and Deputy Director at the Kenya Industrial Research and Development Institute (KIRDI).
- He has worked for Johnson & Johnson (UK), Summit Medical (UK), and the University of Leeds (UK).
- Dr. Chelule is an experienced professional with more than 20 years of expertise in industrial research, technology transfer and MSME support.
- He holds a PhD in Mechanical Engineering and an MSc in Mechanical Engineering from Staffordshire University in the United Kingdom, as well as an Executive MBA from Jomo Kenyatta University of Agriculture and Technology (JKUAT) as well as Bachelor of Education (Technology) EDT, Power Mechanics Technology.



Mr. Zachary Ooko  
 Chair, Training and Research committee

- Date of birth: 1959
- Bachelor of education technology
- Masters of education
- 34 years' experience in field of education and a senior education officer in ministry of education, state department of vocational and technical training.

 <p>Engineer Richard Bett          Member Finance and operations Committee</p>	<ul style="list-style-type: none"> <li>• Date of birth: 27<sup>th</sup> Feb 1961,</li> <li>• Diploma in building civil engineering.</li> <li>• Bsc Civil Engineering. Bangalore University India.</li> <li>• Experienced in building and civil engineering and currently involved in private practice.</li> </ul>
 <p>Jipi Lentoijoni          Finance and operations committee member</p>	<ul style="list-style-type: none"> <li>• Date of birth: 01 January 1962</li> <li>• Diploma in agriculture</li> <li>• Hons BA admin development studies</li> <li>• Msc in Sustainable Agriculture</li> <li>• Has worked with ministry of agriculture, world vision Kenya and Kenya water towers agency as deputy director sustainable livelihoods.</li> </ul>
 <p>Beatrice Wanjiru          Member- Audit and Risk committee</p>	<ul style="list-style-type: none"> <li>• Date of birth: 12 march 1981</li> <li>• Diploma in information technology</li> <li>• Degree in information technology</li> <li>• Works at the Ministry of Immigration and Registrations of Persons as Civil Registrar</li> </ul>



Dr. Nyakwara Simon  
 Chair Audit and risk management committee

- Date of birth: 1969
- Bachelor of business administration and management.
- Post graduate diploma in education.
- Master's in business administration.
- Doctor of philosophy in human resource.
- Works with Mount Kenya University as The Vice Chancellor, Administration Planning and Institutional Advancement Kisii Campus.



Hilary Mongera  
 Representing Principal Secretary ,TVET  
 Independent Member

- Date of birth: 1<sup>st</sup> September 1961.



Irine Chelangat Ngeno  
 Representing The County Government

- Date of birth: 27<sup>th</sup> July, 1976
- MBA Strategic Management
- BED Maseno University.
- Works with County, Government of Kericho as the head of Youth affairs technical and vocational training.

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**



Dorris Tochiu Imaria  
 Chair, Finance and Human resource committee

- Date of Birth: 9th December 1984
- 2007: Bachelor of Commerce (Finance Option) – University of Nairobi
- 2014: ACCA – Accredited Chartered Certified Accountants. London
- Feb 2019 – Present – Consulting Chief Finance Officer and audit manager – SoProCFO and Kawai Consultants (Related parties)
- Aug 2018- July 2019 – Independent Financial Reporting Consultant – National Treasury through Deloitte& Touchie Kenya
- Dec 2017- July 2018- Audit Consultant - RSM US LLP –  
 Jan 2009 – Nov 2017 External Auditor – PKF Kenya



Sammy K. Cheruiyot –  
 (Principal/BOG Secretary)

- Date of Birth: 12<sup>th</sup> May 1972
- Master’s in Education (M. ED BED ARTS)
- Four and half years of experience as Principal TTL.

#### 4. Key Management Team

 <p>Sammy K. Cheruyiot</p>	<p><b>Principal</b></p> <ul style="list-style-type: none"> <li>• Date of Birth: 12<sup>th</sup> May 1972</li> <li>• Master's in Education (M. ED BED ARTS)</li> <li>• 4 and half years of experience as Principal TTI.</li> </ul>
 <p>Anton Agesa</p>	<p><b>Deputy Principal academics</b></p> <ul style="list-style-type: none"> <li>• B.ED science, Egerton University.</li> </ul>
 <p>Fredrick Keter</p>	<p><b>Deputy principal administration</b></p> <ul style="list-style-type: none"> <li>• B. E.D (Technology), Moi university.</li> </ul>
 <p>Collins Simiyu Mutambo</p>	<p><b>Registrar</b></p> <ul style="list-style-type: none"> <li>• Bed-Technology Education Electrical and electronics option (2009-2013)</li> <li>• The Kenya Engineering Technology Registration Board (KETRB)</li> </ul>
 <p>Hillary Koech</p>	<p><b>Ag. Dean of students</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Technology in Agricultural and Biosystems Engineering, Moi University.</li> </ul>
 <p>Janeth Chepkirui</p>	<p><b>Finance officer</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Commerce (Finance), Kenyatta University.</li> <li>• Certified Public Accountant of Kenya. (CPA-K) KASNEB.</li> <li>• Member of ICPAK</li> </ul>

 Weldon Kiprono	<p><b>Procurement officer</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Business Administration Supply chain management, University of Kabianga, 2018</li> <li>• Member of Kenya Institute of Supplies Management (KISM) with good standing.</li> <li>• A licensed practitioner in accordance with SPMA Act 2007</li> </ul>
 Milka Cheptoo	<p><b>Human Resource Management Officer</b></p> <ul style="list-style-type: none"> <li>• BSC Human Resource Management- University of Kabianga, 2015</li> <li>• Member of IHRM</li> </ul>
 Hillary Cheruiyot	<p><b>Accountant</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Commerce (Accounting)- Kisii University-2018</li> <li>• Certified Public Accountant- KASNEB</li> <li>• Member of ICPAK and IIA- KENYA</li> </ul>
 Kipkoech Ngenoh	<p><b>Internal Auditor</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Business management (Accounting)- University of Kabianga, 2017.</li> <li>• Certified Public Accountant- KASNEB</li> <li>• Member of ICPAK and IIA- KENYA</li> </ul>
 Benard Kibet Too	<p><b>System Administrator</b></p> <ul style="list-style-type: none"> <li>• Bachelor of Information Technology-South Eastern Kenya University, 2017.</li> <li>• Member of Association of Computing Professional-Kenya in Good Standing</li> <li>• Member of Internet Society-Kenya Chapter</li> </ul>

### **5. Chairman's Statement**

I am pleased to report that Bureti Technical Training Institute (BTTI) has continued to perform well in returning exemplary examination results of the Kenya National Examinations Council (KNEC). I take this opportunity to share with you my views on the key initiatives and achievements we have had over the year on economic performance, Education sector changes, financial performance, operations & risks associated with the Institution, and lastly our future outlook.

#### **Economic Focus**

In order to ensure efficient and effective provision of Technical Vocational Training, we have developed necessary policies and institutional framework to direct the running of the Institution in line with vision 2030, the Big 4 Agenda and Sustainable Development Goals. In the recent past, the institute has experienced growth in student enrolment from which we have projected an average of 26% annual growth for 2022, based on the current 3,200 in 2023 from that of 3,200 students in 2023.

We thank the Government of Kenya for providing training equipment, computers, capitation and employment of Trainers through the devolved system by the Public Service Commission that has greatly contributed towards increased student enrolment and improved quality of training to enable the institute align her graduates with regional and global trends and innovation.

#### **Successes**

During the year, we have witnessed a positive growth in student enrolment and also increase in number of students registering for KNEC Examinations.

Bureti TTI was also earmarked for status upgrade to National Polytechnic level. The board of governors have drawn implementation matrix based on the recommendations received from the ministry during assessment of the college for upgrading.

The Institute has successfully carried out the following projects during the financial year under review:

- Cabro works.
- Polytechnic 67-Seater Bus purchase.
- Polytechnic Driving School Truck purchase.
- Equipping Of Kenya Nutritionists and Dieticians Lab at the Polytechnic.

In the spirit to excel, we endeavour to be a centre of Excellence in scientific, technological, training and innovation so as to produce competent graduates who are capable of integrating the acquired skills in nation building in line with Vision 2030 and the Big4 Agenda (i.e. food security, affordable housing, universal health and manufacturing).

### **Challenges Faced**

The Technical Training sector presents plenty of opportunities as well as risks, both of which need to be analysed in order to deliver sustainable long-term returns, without compromising training outcomes. During the year, the college faced the following challenges:

- Significant student debtors
- Delayed government funding (capitation from the Ministry of Education).
- Inadequate boarding facilities

### **Outlook**

I am indeed deeply indebted to the members of the Board of Governors for their unwavering support, commitment and futuristic outlook towards realising the institute's objectives in line with its strategic plan and core mandate of training market-driven technical manpower. Noteworthy is the Board's diverse qualifications and experience. I unreservedly assure all our Stakeholders we at Bureti T.T.I, shall remain focussed, committed and consistent in the delivery of opportunities and accountably availing of resources to both trainers and trainees within the Government framework of accountability, corporate governance and ethical sustainability. Going forward Bureti T.T.I is committed to working closely in collaboration with other like-minded entities, institutions, agencies and any other bi-lateral & multi-lateral agencies involved in technical and vocational training to ensure that our trainees continue to receive Competency Based Training.

Lastly, I would like to whole-heartedly thank my fellow members of the Board of Governors, Management, Trainers, Trainees – and all other stake-holders for their co-operation, collaboration, continued support and commitment during this period under review.

DR. Kenneth Chelule



**Chairperson, Board of Governors**  
10<sup>th</sup> March, 2025.

## **6. Report of the Senior Principal**

### **Introduction**

Bureti TTI is a young public TVET institution in South Rift region with a promising future in offering Technical skills for growth, as enshrined in its Vision. Through the welcome support of the area MP Hon Kibet Komingoi and Kericho County Governor His Excellency Dr. Eric Mutai. The institution was registered by TVETA Authority as a public institution in 2016 and is offering market driven programs approved by TVETA and Examined by KNEC in line with actualizing the Big Four Agenda. The institution currently offers 45 programs.

#### **❖ Campuses**

We now have two campuses namely; Main campus and - Chebwagan campus, with a total combined enrollment of 3,200 students.

#### **❖ Staffing**

The total number of staff as at 30<sup>th</sup> June 2023 were 151 categorized as follows;

PSC Trainers-34

BOG Trainers-45

BOG Non-teaching-72

However due to an increase in student population and more programs, we are in the process of recruiting more PSC staff once positions are advertised.

#### **Key Highlights**

During the Financial Year under review, The Board was able to successfully complete the construction of the water pan and also undertake the following key projects;

- Landscaping and cabro paving works.
- Construction of the basketball pitch.
- Aluminum partitioning of the offices.
- Completion of the Water Pan.
- Construction of the Posho mill.
- Fabrication of the Library Shelves.
- Water Harvesting.

The student enrollment increased by 23% to 3200 from 2600 reported in the last financial year which is attributed to marketing strategies employed by the management during the year.

The Institute was able to successfully partner with Kapkatet Hospital for student placement and also Famous Gate Hotel in regards to student placements.

**Challenges faced during the year**

**During the year under review, Bureti TTI experienced several challenges as highlighted below:**

- High staff turnover
- Insufficient government financing
- Delays in fee collection due to tough economic challenges facing the country

**Future**

Our future plans in relation to expansion and well-being of the institutes are as follows;

- Increase student enrolment to 5000 students
- Acquire National Polytechnic status
- To construct student hostels
- To Acquire 62-seater Bus.
- Construction of Workshops.

Under my leadership, we were able to Kick-start the development of Human resources manual the finance, risk management and procurement manuals which will be completed in the year 2023/2024.

I have confidence that the trainees are well equipped with the necessary skills that strategically aligns them with opportunities within the country, regionally and globally at the same time contributing to the realization of the Big 4 Agenda: Health, Manufacturing, Affordable Housing and Food security.

Technical Training Institute being a Tertiary institution desires to enhance its visibility, performance, and competitiveness in the tertiary education sector in the face of stiff competition. To do so, however the Institute requires a lot of support from the Government and other stakeholders in this crucial transitional stage to a National Institute in terms of funding, material support and other contributions. We shall continue to appeal for such support for several years to come.

On behalf of the Institute Board and Management, I take this opportunity to thank the Government for its unequivocal support during the year under review.

I also appreciate the financial, material and moral support of our collaborators, partners and friends during the year. It is because of the understanding and guidance of the Chairman of the Board as well as the cooperation of the Management team, all staff and our students that we ended the year within an environment of peace and stability. I wish to register my sincere gratitude to them all.

I look forward to their continued support in the new financial year and the years ahead.

Thank you



Sammy K Cheruiyot

**Senior Principal/BOG Secretary**

**7. Statement of Performance against Predetermined Objectives**

*Bureti Technical Training Institute* has 9 strategic pillars and objectives within its Strategic Plan for the FY 2021/2022- 2025/2026. These strategic pillars are as follows:



*Bureti Technical Training Institute* develops its annual work plans based on the above 9 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The *Institute* achieved its performance targets set for the FY 2022/2023 period for its 9 strategic pillars, as indicated in the diagram below:

<b>Pillar 1: Infrastructure</b>	Improving and increasing physical facilities	Completion of buildings under construction, Successfully complete the projects for institutions being mentored	Develop a framework for improving and increasing physical facilities Improve TVET equipment, information and communication systems	Various blocks have been constructed including classrooms and hospitality Annex.
<b>Pillar 2: Technology and ICT Infrastructure</b>	Promote effective application of ICT	Complete ICT infrastructures, Installation of Management Information System ICT courses	Develop adequate ICT capacity and infrastructure Institutionalized Management Information System (MIS) Promote the use of ICT in Curriculum delivery and management systems	ICT courses are being offered in the institution MIS is in the process of being installed
	Enhance Equipment and Technology	Institution incubator and use	Develop institution incubator	To be implemented

		of modern equipment and Technology	Promote use of modern equipment and Technology	
<b>Pillar 3: Research and Development (R&amp;D)</b>	Institutionalize effective research and development	Research and development infrastructure	Develop mechanisms for R&D collaboration among TVET institutions. Promote the use of research results in technology development and transfer Develop R&D infrastructure.	To be implemented
<b>Pillar 4: COLLABORATION AND LINKAGES</b>	Enhance collaboration and linkages	Development partners on board Mentorship	Establish collaborations and linkages Strengthen existing collaboration and linkages Establish benchmarks and joint cooperation networks with international TVET institutions	The Institute has got several collaborations and linkages:
<b>Pillar 5: Competitiveness</b>	Enhance competitiveness	Increased students' numbers	Strengthen existing competitiveness benchmarks Establish new competitiveness benchmarks	Student numbers have continued to increase
<b>Pillar 6: INSTITUTIONAL GOVERNANCE</b>	Improve institutional corporate governance Develop and Implement M&E Systems	Constant review of courses offered Improved resultbased management in the training system Improved budget accuracy level	Develop and implement institutional policies, strategies, and programmes (E.g. HIV/AIDS, Alcohol and drug abuse and health and safety, and environment) Embrace results based management in the training system Develop and implement M&E systems Fast track institutional expenditure review	New courses being offered Improved budget accuracy
<b>Pillar 7: HUMAN RESOURCE</b>	Harness Human resource	Increased number of staff to match the increasing number of students	Increase staff at TSC and BoG levels Develop competencies in staff	New BoG staff have been employed
	Improve and sustain relevance of skills		Ensure quality assurance and standards	

			Promote innovativeness in ST&I Establish the Center of excellence Improve the quality of work culture Strategy Encourage investment in the development and commercialization of TVET products and services including ICT	
<b>Pillar 8: FINANCIAL RESOURCES</b>	Diversify sources and increase funding	New development partners Enhanced existing partners' relationship Increase in government development funds	Increase GoK funding Exploit external funding possibilities through developed criteria Expand income generation at institutional level	There are development partners funding development projects. The institution continues to receive development funds from the government.
<b>Pillar 9: Communication and public relations (Recognition)</b>	To develop an effective and efficient communication system internally and externally at all levels and to enhance the image and visibility of Bureti TTI.	Improved institution	Improve the image of TVET	Objective achieved
<b>Pillar 10: ACCESS AND EQUITY</b>	Enhance Access and equity	Improved training programmes in MSE sector. Expansion of facilities	Expand facilities based on government priorities Support TVET trainees Promote affirmative action for TVET trainees Reform and enhance education, training, and guidance services. Improve training programmes in MSE sector. Offer higher level programmes	Expansion of facilities achieved

## **8. Corporate Governance Statement**

Bureti Technical Training Institute is committed to good corporate governance, which promotes the long-term interests of the Government of Kenya and any other stakeholder, strengthens Board and management accountability and helps build public trust in the Institute.

The Board is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education, state department of Vocational and Technical Training to oversee their interest in the long-term health and the overall success of the business and its financial strength in order to discharge its mandate in training. The Board serves as the ultimate decision-making body of the Institute, except for those matters reserved to or shared with the Government of Kenya. The Board selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Institute in line with the Technical, Vocational, Education & Training Act of 2013 and the constitution of the Republic of Kenya.

The board of governors held four Full board meetings and eleven subcommittee meetings in the financial 2022/2023. The current board was appointed on 17<sup>th</sup> March 2022 and inaugurated on 26<sup>th</sup> April 2022, for a term of three years ending 16<sup>th</sup> March 2025.

On expiry of the tenure of the current board (16<sup>th</sup> March 2025) the process of appointment of a new board of management is as laid out in the TVET act of 2013 shall be followed

Under the TVET act of 2013, the functions of Board of Governors as set out under section 28 (1) shall include -

- (a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- (b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- (c) Administering and managing the property of the institutions;
- (d) Developing and implementing the institutions' strategic plan;
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions; (1) receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- (g) determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act;
- (i) Developing and reviewing programmes for training and to make representations thereon to the Board;

- (j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- (k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
- (l) Recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry;
- (m) Determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- (n) Making regulations governing organization, conduct and discipline of the staff and students;
- (o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- (p) Providing for the welfare of the students and staff of the institutions;
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
- (r) Discharging all other functions conferred upon it by this Act or any other written law.

The board in the period it has been in existence has endeavoured to discharge its functions independently with vigour and passion. Their diligence and prudent management of resources has been result oriented and much has been achieved during their term in office. They have been able to interpret government policies and TVET Act as well as other relevant laws in existence making the institution to move forward as we actualize the strategic plan. Moving forward, the Board is aligning its discharging of duties by improving on its operations while surpassing the set targets where possible.

***Attendance of board meetings***

During FY 2022/2023, there was 99% eligible attendance at all meetings of the Board and Committees with 4 full Board meetings and 11 Sub Committee meetings.

The following table shows the number of meetings held during 2022/2023:

<b>FULL BOARD MEETING</b>					
		<b>DATE</b>			
		<b>29.09.2022</b>	<b>21.12.2022</b>	<b>14.04.2023</b>	<b>30.06.2023</b>
<b>S/NO</b>	<b>NAME</b>				<b>SPECIAL FULL BOARD</b>
1)	Dr. Kenneth Chelule	PRESENT	PRESENT	PRESENT	PRESENT
2)	Dr. Simon Nyakwara	PRESENT	PRESENT	PRESENT	PRESENT
3)	Beatrice W. Gathumbi	PRESENT	PRESENT	PRESENT	PRESENT
4)	Richard Bett	PRESENT	PRESENT	PRESENT	PRESENT
5)	Dorris Tochiu	PRESENT	PRESENT	PRESENT	PRESENT
6)	Zachary Ooko	PRESENT	PRESENT	PRESENT	PRESENT
7)	Irine Ngeno	PRESENT	PRESENT	PRESENT	PRESENT
8)	Jepi Lentoyoni	PRESENT	PRESENT	PRESENT	PRESENT
9)	Hillary Mongera	N/A	PRESENT	PRESENT	PRESENT
10)	Sammy K Cheruiyot	PRESENT	PRESENT	PRESENT	PRESENT

<b>TRAINING AND RESEARCH COMMITTEE</b>				
		<b>DATE</b>		
		<b>27.09.2022</b>	<b>09.01.2023</b>	<b>02.03.2023</b>
<b>S/NO</b>	<b>NAME</b>			
1)	Richard Bett	ABSENT	PRESENT	PRESENT
2)	Dorris Tochiu	PRESENT	PRESENT	PRESENT
3)	Zachary Ooko	PRESENT	PRESENT	PRESENT
4)	Irine Ngeno	PRESENT	PRESENT	PRESENT
5)	Peter K. Cheruiyot	PRESENT	N/A	N/A
6)	Sammy K Cheruiyot	PRESENT	PRESENT	PRESENT

<b>FINANCE AND OPERATION COMMITTEE MEETING</b>							
		<b>DATE</b>					
		<b>12.07.2022</b>	<b>28.09.2022</b>	<b>10.01.2023</b>	<b>11.01.2023</b>	<b>06.04.2023</b>	<b>02.06.2023</b>
<b>S/NO.</b>	<b>NAME</b>						
1)	Hillary Mongera	N/A	N/A	PRESENT	PRESENT	PRESENT	PRESENT
2)	Richard Bett	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
3)	Dorris Tochiu	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
4)	Zachary Ooko	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
5)	Jepi Lentoijoni	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
6)	Sammy K Cheruiyot	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT

**Bureti Technical Training Institute****Annual Report and Financial Statements for the year ended 30th June 2023**

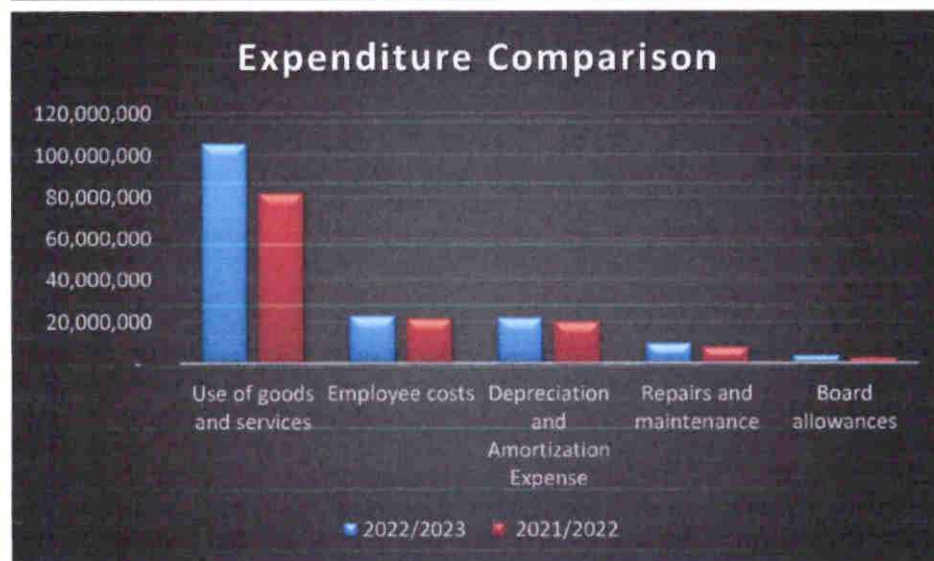
<b>AUDIT AND RISK COMMITTEE MEETING</b>				
		<b>DATE</b>		
		<b>18.10.2022</b>	<b>17.01.2023</b>	<b>25.05.2023</b>
<b>S/No</b>	<b>NAME</b>			
1)	Dr. Simon Nyakwara	PRESENT	PRESENT	PRESENT
2)	Hillary Mongera	PRESENT	ABSENT	PRESENT
3)	Beatrice W. Gathumbi	PRESENT	PRESENT	PRESENT
4)	Irine Ngeno	PRESENT	PRESENT	PRESENT

**9. Management Discussion and Analysis**

**Bureti Technical Training Institute operational and financial performance**

During the year ended June 2023, the Institution had 3,200 students compared to 2,600 in year 2021/2022.

Below are the graphs analysing the revenues and expenses of the institution.



**Bureti Technical Training Institute compliance with statutory requirements**

Bureti Technical Training institute complies to deduction and remittance of statutory deductions such NHIF, NSSF and PAYE.

**Major risks facing the organisation.**

The institutes' major risks are mainly related to its core business which is training and human resource development. Some of the identified risks include;

- i. Low student enrolment.
- ii. Student turnover
- iii. Inadequate student accommodation and support facilities
- iv. Delayed disbursement of capitation and HELB grants
- v. Staff turnover due to inability to retain them

**Key projects and investment decisions**

S/NO.	PROJECTS	DESCRIPTIONS	CONTRACTOR	AMOUNT PAID	DATE	STATUS
1	Landscaping and cabro paving	Labour based	Labour based	1,746,332	19/09/2022	completed
2	Aluminium partitioning of offices	Total payment (exclusive of retention)	Alfabet East Africa Limited	2,810,240	8/02/2023	completed
3	Water pan	2 <sup>nd</sup> Payment Exclusive of retention	Fast and Vast Limited	1,756,591	07/3/2023	completed
4	Posho mill Construction	Labour based	Labour based	1,210,000	17/01/2023	completed
	TOTAL			7,523,163		

## **10. Corporate Social Responsibility Statement/Sustainability Reporting**

*Bureti Technical Training Institute exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar*

### **1. Sustainability strategy and profile -**

The triple Bottom Line concepts analyses the sustainability of an organization based on three concepts: Profits, people (social) and Planet (environment).

**Profit:**The institute has adopted a transformation strategy aimed at ensuring that she remains financially sound in the face of dwindling funding from the central government. The institutions have expanded it capacity for internally generated income like production of sanitizers and masks.

**Social:**the institute has developed a succession management policy to address the welfare of employees in the future and ensure that the organization is sustainable in the future

**Environment:**The board of governance has plans to undertake an environmental sustainability audit and developed an environmental policy to address the issues of environmental sustainability that will be identified during the audit.

### **2. Employee welfare**

At Bureti Technical Training Institute, we value our employees and our many stakeholders, including the wider community where the training of our students has the potential to bring positive social and environmental change. We value the contribution that individuals and external entities make to our Institute through community consultation process.

We integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviors of good corporate governance, ethical decision making, and providing our personnel with opportunities to develop and excel. We integrate the principles of social responsibility into our training activities externally by minimizing our environmental impact and seeking to enhance the amenity of residential communities. On December 2022, we carried a staff retreat at Mombasa.

<b>Activity</b>	<b>Description</b>
Better training	optimizing training operations to meet ongoing social and sustainability objectives.
	providing opportunities for us to grow as Institute by becoming involved in our local community.

Enhanced community	focusing on good urban design and empowered members for healthy, happy and resilient community.
Supported Staff	promoting initiatives that support staff and their families, beyond the provision of employment.  promoting initiatives that recognize the contribution of the students to the community.

**a) Policies guiding hiring process**

The following are the Bureti Technical Training Institute Board policies that guide hiring process;

S/no	Title	Review Period	Remarks
1	Career Progression	Regularly	Vacant positions are filled competitively both internally and externally.  This largely depends on availability of funds
2	Human Resource Manual	Regularly	Terms and conditions of service governing employees are applied across the board without discrimination
3	Internship Policy and guidelines	Regularly	Intern positions are filled competitively and without discrimination
5	Gender Mainstreaming	Regularly	Bureti TTI observes equal employment opportunities during staff recruitment across all genders
6	Disability Mainstreaming	Regularly	The institute offers equal employment opportunities to officers living with disability. The institute also offers rights and privileges as provided in the PWDs Act and Board employment policies

**3. Market place practices-**

**Responsible Supply Chain and Supplier relations**

The institute has maintained good business practice by complying with the government policy and Section 227 of The Constitution of Kenya.

All procurement activities have continuously been carried out where Supply Chain ensured that there are sufficient funds to meet the obligations of the resulting contract and are reflected in the

approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure.

The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs.

Bureti Technical Training Institute has at all-time ensured responsible treatment of the suppliers in various ways as featured below;

- i) Ensuring proper communication channels e.g. Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers.
- ii) Providing customer support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.
- iii) When doing procurement planning the institute has complied with preference and reservation requirements.
- iv) Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the supplier and also avoiding of penalties that may arise from delayed payment.
- v) Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers.

#### **4. Community Engagements-**

During the year under review, the institute carried out various CSR activities to impact the society as highlighted below;

- (a) Installation of internet and wifi connectivity which is shared with the local schools within reach, specifically Tiriitab Moita Primary school.
- (b) Tree planting activities in collaboration with Equity bank, wings to fly foundation and Eco-green community self-help group

## **11. Report of the Board of Governors**

The Board members submit their report together with for the year ended June 30, 2023 which show the state of Bureti Technical training institute affairs.

### **Principal activities**

The principal activities of the entity are training and development of human resource in various fields

### **Results**

The results of the Bureti TTI for the year ended June 30, 2023 are set out on page 1 to 22

### **Board of governance**

The members of the Board who served during the year are shown on pages' vi and vii.  
During the year none of our directors retired or was appointed into the board

### **Auditors**

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

By Order of the Board



Sammy Cheruiyot  
Senior Principal/BOG Secretary

Date: 10<sup>th</sup> March 2023

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

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

The Board members are responsible for the preparation and presentation of Bureti TTI financial statements, which give a true and fair view of the state of affairs of Bureti TTI for and as at the end of the financial year (period) ended on June 30, 2023. 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 entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of Bureti TTI(v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for Bureti TTI 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 TVET Act of 2013*). The board of governors are of the opinion that Bureti TTI financial statements give a true and fair view of the state of Bureti TTI transactions during the financial year ended June 30, 2023, and of Bureti TTI financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for Bureti TTI, which have been relied upon in the preparation of Bureti TTI 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 Bureti TTI 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 *entity's* financial statements were approved by the Board on <sup>10th Mar, 2023</sup> ..... and signed on its behalf by



Chairperson of the Board



Accounting officer/Senior Principal



*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON BURETI TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2023

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### 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

The accompanying financial statements of Bureti Technical Training Institute set out on pages 1 to 27 which comprise the statement of financial position as at 30 June, 2023 and

the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information, have been audited on my behalf by BACE Partners LLP Certified Public Accountants (Kenya), auditors appointed under Section 23 of the Public Audit Act, 2015. The auditors have duly reported to me the results of their audit and on the basis of their report, I am satisfied that all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit were obtained.

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 Bureti Technical Training Institute as at 30 June, 2023 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 Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Fair Value Gain on Biological Assets**

The statement of financial performance reflects fair value gain on biological assets amounting to Kshs.671,907. The amount is made up of biological assets as at 1 July, 2022 of Kshs.1,824,462 less valuation of biological assets as at 30 June, 2023 of Kshs.2,496,369 as disclosed in Note 9 to the financial statements. However, valuation report and market survey on the biological assets was not provided for audit review. In the circumstance, the accuracy and completeness of fair value gain on biological assets amounting to Kshs.671,907 could not be confirmed.

#### **2. Inaccuracy in Receivables from Exchange Transactions Balance**

The statement of financial position reflects receivables from exchange transactions balance of Kshs.118,603,742. The amount includes student debtors amounting to Kshs.118,423,742 as disclosed in Note 16 to the financial statements which is an increase of Kshs.17,418,550 or seventeen percent (17%) from the previous year balance of Kshs.101,005,192. However, the ageing analysis of the receivables has not been disclosed in the financial statements and no provision has been made for impairments.

Further, Note 16 to the financial statements has not been presented in the recommended format.

In the circumstances, the accuracy, completeness and existence of receivables from exchange transactions balance of Kshs.118,603,742 could not be confirmed.

#### **3. Inaccuracy in Receivables from Mentor Institution Balance**

The statement of financial position reflects receivables from Mentor institution totalling Kshs.4,870,708 as further disclosed in Note 17 to the financial statements which has

remained outstanding for more than one year. However, the ageing analysis of the receivables has not been disclosed in the financial statements and no provision has been made for impairments.

Further, Note 17 to the financial statements has not been presented in the recommended format.

In the circumstances, the accuracy, completeness and existence of receivables from Mentor institution of Kshs.4,870,708 could not be confirmed.

#### **4. Inaccuracy in Trade and Other Payables from Exchange Transactions Balance**

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.4,210,425 as further disclosed in Note 22 to the financial statements. However, the ageing analysis of the payables was not provided for audit review.

Further, Note 22 to the financial statements has also not been presented in the recommended format.

In the circumstances, the accuracy and completeness of trade and other payables from exchange transactions balance of Kshs.4,210,425 could not be confirmed.

#### **5. Unsupported Accumulated Surplus Balance**

The statement of financial position reflects accumulated surplus balance of Kshs.215,026,303. The amount includes reclassification of prior year amendment amounting to Kshs.52,000,000 as disclosed in the statement of changes in net assets. However, the reclassification was not supported by journal vouchers.

Further, the balance of Kshs.215,026,303 includes transfer of depreciation from capital grants to accumulated surplus of Kshs.33,531,094 which was not supported by a journal voucher. The transfer was also not explained.

In the circumstances, the accuracy and completeness of accumulated surplus balance of Kshs.215,026,303 could not be confirmed.

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

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects total income final budget and actual on comparable basis amount of Kshs.225,380,800 and

Kshs.150,775,189, respectively, resulting to underfunding of Kshs.74,605,611 or thirty three percent (33%) of the budget. Similarly, the institute expended Kshs.140,824,390 against actual receipts of Kshs.150,775,189 resulting to an under-absorption of Kshs.9,950,799 or 7% of the total receipts.

Further, the budget statement reflects final total income and expenditure budget amounting to Kshs.225,380,800 and Kshs.164,200,800 resulting in unbalanced budget by Kshs.61,180,000. This was contrary to Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015 which requires a balanced budget.

The underfunding and under-absorption affected the planned activities and may have impacted negatively on the delivery of services to the public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Information**

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

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

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that nothing 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**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless the Management is aware of the intention to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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



FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

19 May, 2025

## 14. Statement of Financial Performance for The Year Ended 30 June 2023

	Notes	2022/2023	2021/2022
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from the National Government – Recurrent grants	6	32,670,000	36,915,000
<b>Total Revenue from non-exchange transactions</b>		<b>32,670,000</b>	<b>36,915,000</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	7	114,326,084	131,284,143
Other income	8	3,779,105	1,166,305
Fair value gain on biological assets	9	671,907	
<b>Revenue from exchange transactions</b>		<b>118,777,096</b>	<b>132,450,448</b>
<b>Total revenue</b>		<b>151,447,096</b>	<b>169,365,448</b>
<b>Expenses</b>			
Use of goods and services	10	105,378,872	81,673,444
Employee costs	11	22,767,803	21,358,868
Board allowances	12	3,314,760	2,268,120
Depreciation and Amortization Expense	13	21,855,909	19,779,610
Repairs and maintenance	14	9,362,955	7,697,379
<b>Total expenses</b>		<b>162,680,299</b>	<b>132,777,421</b>
<b>Net (deficit)/surplus for the year</b>		<b>(11,233,203)</b>	<b>36,588,027</b>

The notes set out on pages 6 to 22 form an integral part of the Annual Financial Statements.

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**15. Statement of Financial Position As At 30th June 2023**

	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	38,878,176	67,752,153
Receivables from exchange transactions	16	118,603,742	101,253,192
Receivable from mentored institution	17	4,870,708	4,570,708
Inventories	18	1,864,848	1,959,164
<b>Total Current Assets</b>		<b>164,217,474</b>	<b>177,359,679</b>
<b>Non-current assets</b>			
Biological assets	19	2,560,369	1,824,462
Intangible assets	20	6,786,000	9,600,640
Property, plant and equipment	21	444,330,800	428,757,874
<b>Total Non-current Assets</b>		<b>453,677,169</b>	<b>438,358,514</b>
<b>Total assets</b>		<b>617,894,643</b>	<b>615,718,193</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	22	4,210,425	5,657,142
Refundable balances	23	-	143,630
Deferred income	24	9,417,800	9,417,800
<b>Total Current Liabilities</b>		<b>13,628,225</b>	<b>15,218,572</b>
<b>Total liabilities</b>		<b>13,628,225</b>	<b>15,218,572</b>
<b>Capital and Reserves</b>			
<b>Revaluation gain</b>			
Accumulated surplus		215,026,303	140,728,412
Capital grants	25	306,372,941	324,904,035
Revaluation reserve	26	82,867,174	134,867,174
<b>Total Reserves</b>		<b>604,266,418</b>	<b>600,499,621</b>
<b>Total Liabilities and Reserves</b>		<b>617,894,643</b>	<b>615,718,193</b>

The Financial Statements set out on pages 1 to 22 were signed on behalf of the Institute Board of Governors by:

  
**BOG CHAIR**  
 P.O. Box 444, 20406, SOTIK

DR. Kenneth Chelule  
 Chairperson  
 Date: 10/03/2025

  
**FINANCE OFFICER**  
 P.O. Box 444, 20406, SOTIK

Janeth Chepkirui  
 ICPAK No 28183  
 Finance Officer  
 Date: 10th March, 2025

  
**PRINCIPAL**  
 P.O. BOX 444, 20400 SOTIK

Sammy K. Cheruiyot.  
 Senior Principal  
 Date: 10/03/2025

**16. Statement of Changes in Net Asset for the Year Ended 30 June 2023**

	<b>Accumulated surpluses</b>	<b>Capital grants</b>	<b>Revaluation reserve</b>	<b>Total</b>
<b>Balance b/f at July 1, 2018</b>	<b>30,887,015</b>	<b>272,000,000</b>		<b>302,887,015</b>
Surplus for the year	(1,541,612)	-		<b>(1,541,612)</b>
<b>Balance c/d as at June 30, 2018</b>	<b>29,345,403</b>	<b>272,000,000</b>		<b>301,345,403</b>
<b>Balance b/f at July 1, 2018</b>	<b>29,345,403</b>	<b>272,000,000</b>		<b>301,345,403</b>
Surplus for the year	61,311,312			<b>61,311,312</b>
<b>Balance c/d as at June 30, 2019</b>	<b>90,656,715</b>	<b>272,000,000</b>		<b>362,656,715</b>
<b>Balance b/f at July 1, 2019</b>	<b>90,656,715</b>	<b>272,000,000</b>		<b>362,656,715</b>
Surplus for the year	57,798,864	-		<b>57,798,864</b>
Transfer of depreciation from accumulated surpluses to capital grants	956,285	(956,285)		-
<b>Balance c/d as at June 30, 2020</b>	<b>149,411,864</b>	<b>271,043,715</b>		<b>420,455,579</b>
Additions during the year	-	142,760,320	134,867,174	<b>277,627,494</b>
Transfer of impairment on donated land from accumulated surplus to capital grants	88,900,000	(88,900,000)	-	-
Surplus for the year	(61,071,478)	-	-	<b>(61,071,478)</b>
Balance c/d as at June 30, 2021	<b>177,240,386</b>	<b>324,904,035</b>	<b>134,867,174</b>	<b>637,011,595</b>
<b>Balance as at July 1, 2021</b>	<b>177,240,386</b>	<b>324,904,035</b>	<b>134,867,174</b>	<b>637,011,595</b>
Surplus for the year	36,588,027	-	-	<b>36,588,027</b>
Reinstatement of assets included in financials statements	(73,100,000)	-	-	<b>(73,100,000)</b>
Balance c/d as at June 30, 2022	<b>140,728,412</b>	<b>324,904,035</b>	<b>134,867,174</b>	<b>600,499,621</b>
<b>Balance as at July 1, 2022</b>	<b>140,728,412</b>	<b>324,904,035</b>	<b>134,867,174</b>	<b>600,499,621</b>
Reclassification prior year amendment	52,000,000	-	(52,000,000)	-
Capital donations issued during the year	-	15,000,000	-	15,000,000
Transfer of depreciation from accumulated surpluses to capital grants	33,531,094	(33,531,094)	-	-
Surplus for the year	(11,233,203)	-	-	<b>(11,233,203)</b>
<b>Balance c/d as at June 30, 2023</b>	<b>215,026,303</b>	<b>306,372,941</b>	<b>82,867,174</b>	<b>604,266,418</b>

**17. Statement of Cash Flows for the Year Ended 30 June 2023**

	Notes	2022/2023	2021/2022
		kshs	kshs
<b>Revenue</b>			
Transfers from the National Government – Recurrent grants	6	32,670,000	36,915,000
<b>Total Revenue from non-exchange transactions</b>		<b>32,670,000</b>	<b>36,915,000</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	7	114,326,084	131,284,143
Other income	8	3,779,105	1,166,305
Less prior year incorrect payables written back to income		(968,530)	-
<b>Revaluation gain</b>			
<b>Revenue from exchange transactions</b>		<b>117,136,659</b>	<b>132,450,448</b>
<b>Total revenue</b>		<b>149,806,659</b>	<b>169,365,448</b>
<b>payments</b>			
Use of goods and services	10	105,378,872	81,673,444
Employee costs	11	22,767,803	21,358,868
Board allowances	12	3,314,760	2,268,120
Repairs and maintenance	13	9,362,955	7,697,379
<b>Total expense</b>		<b>140,824,390</b>	<b>112,997,811</b>
<b>Net Surplus for the year</b>		<b>8,982,269</b>	<b>56,367,637</b>
<b>Adjusted for:</b>			
<b>Increase in receivables</b>		(17,650,550)	(43,904,332)
<b>(Decrease)/increase in payables</b>		68,984	(10,184,837)
<b>Increase in inventories</b>		94,316	(1,384,127)
<b>Net cash flow from operating activities</b>		<b>(8,504,981)</b>	<b>894,341</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment		(20,304,996)	(13,963,966)
Purchase of intangible assets		-	(12,000,800)
(Purchases)/sale of biological assets		(64,000)	(1,824,462)
<b>Net cash flows used in investing activities</b>			
<b>Net increase in cash and cash equivalents</b>		<b>(28,873,977)</b>	<b>(26,894,887)</b>
Cash and cash equivalents at start of year		67,752,153	94,647,040
<b>Cash and cash equivalents at end of year</b>	14	<b>38,878,176</b>	<b>67,752,153</b>
<b>Cash and cash equivalents as per the Balance Sheet</b>		<b>38,878,176</b>	<b>67,752,153</b>

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2023

	Original budget		Final budget		Actual on comparable basis		Performance difference		Percentage
	2022-2023	Kshs	2022-2023	Kshs	2022-2023	Kshs	2022-2023	Kshs	
<b>Revenue</b>									
Transfers from Government	78,000,000		78,000,000		32,670,000		45,330,000		58%
Rendering of services- Fees from students	143,660,800		143,660,800		114,326,084		29,334,716		20%
Other income	3,720,000		3,720,000		3,779,105		(59,105)		-2%
<b>Total income</b>	<b>225,380,800</b>		<b>225,380,800</b>		<b>150,775,189</b>		<b>74,605,611</b>		<b>33%</b>
<b>Expenses</b>									
Compensation of employees	21,957,212		21,957,212		22,767,803		(810,591)		-4%
Use of Goods and services	133,707,588		133,707,588		105,378,872		28,328,716		21%
Board allowances	4,736,000		4,736,000		3,314,760		1,421,240		30%
Repair and maintenance	3,800,000		3,800,000		9,362,955		(5,562,955)		-146%
<b>Total expenditure</b>	<b>164,200,800</b>		<b>164,200,800</b>		<b>140,824,390</b>		<b>23,376,410</b>		
<b>Surplus for the period</b>	<b>61,180,000</b>		<b>61,180,000</b>		<b>9,950,799</b>		<b>51,229,201</b>		
<b>Capital expenses</b>	<b>61,180,000</b>		<b>61,180,000</b>		<b>20,304,996</b>		<b>40,875,004</b>		<b>67%</b>

## **19. Notes to the Financial Statements**

### **1. General information**

Bureti Technical Training Institute is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to offer technical skills and knowledge.

### **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 5

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

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET 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 2023.

Standard	Effective date and impact:
<p><b>IPSAS 41: Financial Instruments</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b> 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 an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b> The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity 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 Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></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>

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Standard	Effective date and impact:
	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>d) 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>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008).</li> <li>• <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</li> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement.</b> Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</li> </ul>

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.**

Standard	Effective date and impact:
IPSAS 43	<p><b>Applicable 1<sup>st</sup> January 2025</b></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 an Entity.</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><b>Applicable 1<sup>st</sup> January 2025</b></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**

(BTTI did not early-adopt any new or amended standards in year 2022/2023)

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

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

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

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

**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.

**b) Budget information**

The original budget for FY 2022/2023 was approved by the Board on **30/06/2023**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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) 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, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on all other assets is calculated on the reducing balance basis method to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

	<u>Rate %</u>
Buildings	2
Plant and machinery	12.5
Motor vehicles	12.5
Furniture and fittings	12.5
Computer equipment	25
Semi-permanent buildings	10
Basketball pitch	20
Water pan	10
Fence	12.5
Cabro pavements	10

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings in the statement of changes in equity.

**b) Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on

a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Computer software**

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years.

**c) Nature and purpose of reserves**

**a. Accumulated surpluses**

This relates to surpluses brought forward and the one for the current year.

**b. Capital reserves**

This relates to fixed assets granted by the government or any other donor.

**d) Changes in accounting policies and estimates**

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

The changes in accounting policy that took place during the year is adoption of accrual basis of accounting from the cash basis. This policy will help the institution to report its financial performance and position more accurate and fairly state the position and performance than the cash basis.

**e) Employee benefits**

**Retirement benefit plans**

The institution and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The institution's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

**f) Related parties**

Bureti TTI regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Institution, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the Principal, Head of Finance and Head of Procurement.

The government of Kenya through the ministry of education is also related party to the Bureti TTI.

**g) Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**h) Comparative figures**

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

**i) Biological assets**

The biological assets have been stated at their fair values less estimated point-of-sale costs. The fair value is determined based on market prices.

**j) Inventories**

Inventories are recognised lower of cost and net realisable value

**5. Significant judgments and sources of estimation uncertainty**

The preparation of the Bureti TTI'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.

The board of Governance made only one significant judgement in preparing these financial statements.

**Useful lives and residual values**

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

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

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**Notes to the Financial Statements (Continued)**

**6. Transfers from other National Government entities**

	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Unconditional grants</b>		
Capitation	32,670,000	36,915,000
<b>Total Government grants and subsidies</b>	<b>32,670,000</b>	<b>36,915,000</b>

**7. Rendering of services**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Tuition fees	64,296,725	87,594,194
HELB	36,850,200	33,768,000
CDF	4,351,514	2,500,853
Activity fees	898,552	396,793
Attachment	1,389,885	377,784
Registration fees	3,493,700	3,024,484
Examination fees	2,632,664	3,505,750
Internet fee	412,844	116,285
<b>Total Rendering of Services</b>	<b>114,326,084</b>	<b>131,284,143</b>

**8. Other income**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Insurance	603,168	185,410
Student council	238,173	91,680
Student id	222,100	42,720
IGA	-	21,695
Computer packages	136,430	37,300
Boarding and catering	419,628	-
Sale of chairs	-	787,500
Hire of bus	358,800	-
Driving school income	683,620	-
Sale of milk	118,186	-
Tents hire	7,000	-
Grounds hire	18,000	-
Auction Income	5,470	-
Payables written back to income	968,530	-
<b>Total other income</b>	<b>3,779,105</b>	<b>1,166,305</b>

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**Notes to the Financial Statements (Continued)**

**9. Fair value gain on biological assets**

Description	2022-2023	2021-2022
	KShs	KShs
Biological assets as at 1 <sup>st</sup> July 2022	1,824,462	-
Valuation of biological assets as at 30 June 2023	(2,496,369)	-
<b>Fair value gain</b>	<b>(671,907)</b>	<b>-</b>

**10. Use of goods and services**

Description	FY2022-2023	FY 2021/2022
	KShs	KShs
Tuition expenses	18,054,866	14,087,603
Boarding expenses	21,306,869	9,769,172
Activities	850,542	2,496,730
Electricity and water	3,448,322	2,724,797
Insurance	2,399,933	1,229,579
Attachment	226,400	141,100
Registration	-	-
Stationery	252,704	4,703,424
House keeping expenses	869,338	423,924
Student council	2,593,495	2,759,950
Students identity cards	295,000	725,500
Administrative expense	23,534,081	12,274,011
Medical expenses	18,111	342,460
Bank charges	18,802	58,566
Internet expenses	3,037,962	1,427,573
Examination expenses	14,027,196	9,714,950
Marketing expense	720,115	2,246,700
Direct costs to internally generated income (IGA)		300,369
Refund	15,905	-
Other expenses(VAT Withholding)	587,937	152,455
Farm expense	52,200	1,500
Placement fee	-	465,000
Travel, motor car, accommodation, subsistence and other allowances	12,432,429	15,028,081
Fabrication of chairs expense	-	600,000
Performance contracting	469,100	-
Computer training expenses	41,915	-
Driving school expenses	125,650	-
<b>Total good and services</b>	<b>105,378,872</b>	<b>81,673,444</b>



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**Notes to the Financial Statements (Continued)**

**11. Employee costs**

Description	2022-2023	2021-2022
	KShs	KShs
Salaries and wages	22,767,803	21,358,868
<b>Total Employee costs</b>	<b>22,767,803</b>	<b>21,358,868</b>

**12. Board Allowances**

Description	2022-2023	2021-2022
	KShs	KShs
Chairman's Honoraria	-	181,800
Other allowances	3,314,760	2,086,320
<b>Total director emoluments</b>	<b>3,314,760</b>	<b>2,268,120</b>

**13. Depreciation and amortization expense**

Description	FY2022-2023	FY 2021/2022
	KShs	KShs
Property, plant and equipment	19,732,069	17,379,450
Intangible assets	2,123,840	2,400,160
<b>Total depreciation and amortization</b>	<b>21,855,909</b>	<b>19,779,610</b>

**14. Repairs And Maintenance**

Description	2022-2023	2021/2022
	KShs	KShs
Buildings	8,427,822	7,697,379
Vehicles	728,093	-
Computer and printers	199,990	-
Equipment	7,050	-
<b>Total Repairs and Maintenance</b>	<b>9,362,955</b>	<b>7,697,379</b>

**15. Cash And Cash Equivalents**

Description	2022-2023	2021-2022
	KShs	KShs
Kenya Commercial Bank - Operation	5,642,448	59,027,277
Kenya Commercial Bank - Enterprises account	952,990	148,505
Kenya Commercial Bank - Development	9,872,647	9,873,912
Kenya Commercial Bank - Main	22,244,864	(1,308,352)
Cash on hand	15,227	10,811
Prepaid card	150,000	-
<b>Total cash and cash equivalents</b>	<b>38,878,176</b>	<b>67,752,153</b>

Notes to the Financial Statements (Continued)

16. Receivables from exchange transactions

Description	2022-2023	2021-2022
	KShs	KShs
Student debtors	118,423,742	101,005,192
Advances	180,000	248,000
<b>Total current receivables</b>	<b>118,603,742</b>	<b>101,253,192</b>

17. Receivables from mentored institutions

Description	2022-2023	2021-2022
	KShs	KShs
Total TTI	2,424,400	2,124,400
Kericho TTI	2,446,308	2,446,308
<b>Total Receivables from mentored institutions</b>	<b>4,870,708</b>	<b>4,570,708</b>

18. Inventories

Description	2022-2023	2021-2022
	KShs	KShs
Medicines	223,355	-
Housekeeping inventory	170,310	323,884
Stationeries	1,436,636	1,372,840
Boarding inventories	34,547	262,440
	<b>1,864,848</b>	<b>1,959,164</b>

19. Biological assets

Description	2022-2023	2021-2022
	KShs	KShs
Heifers opening balance	1,824,462	1,824,462
Fair valuation	671,907	-
Cost of goats purchased during the year	64,000	-
<b>Total biological assets</b>	<b>2,560,369</b>	<b>1,824,462</b>

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes to the Financial Statements (Continued)**

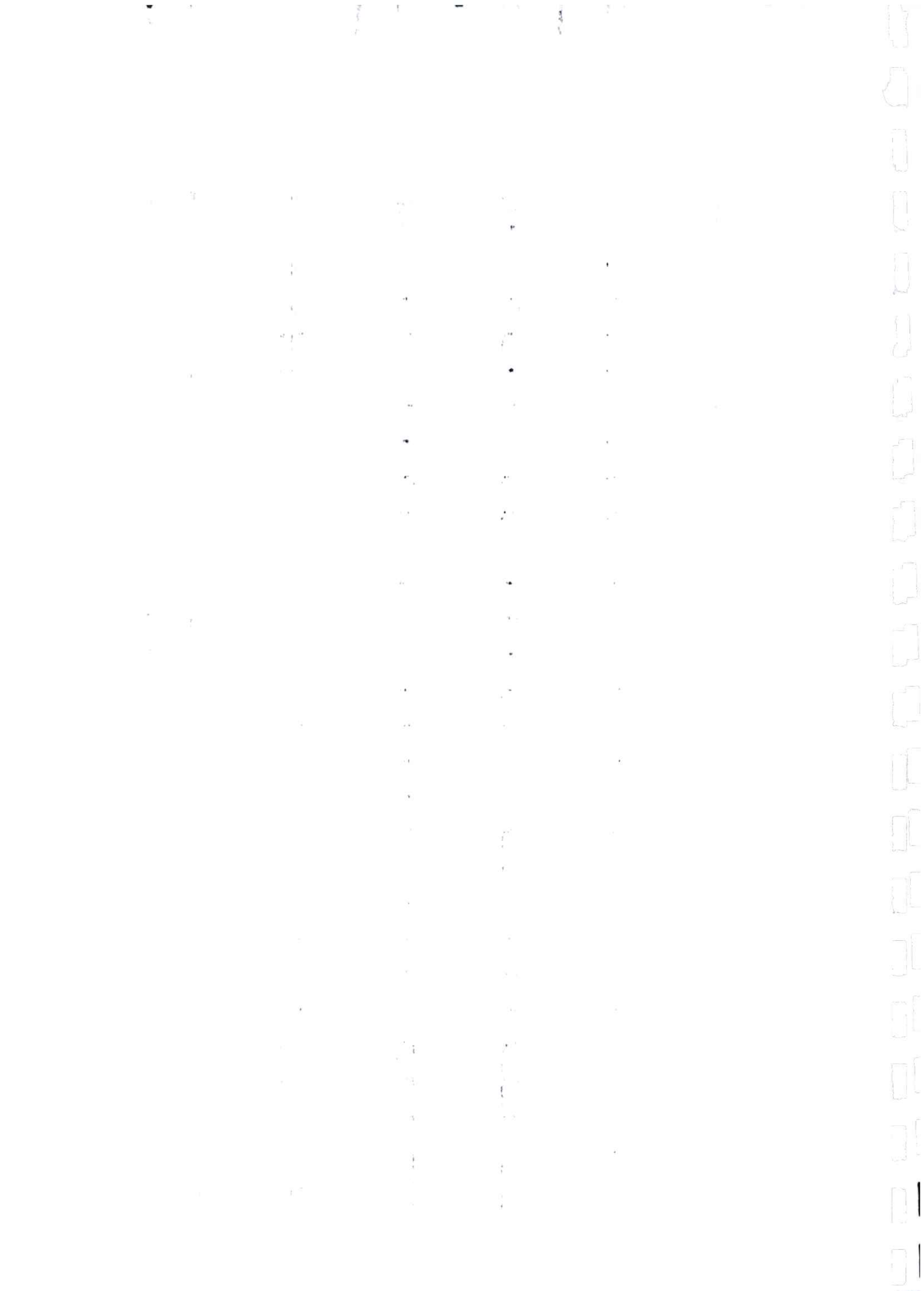
**20.Intangible assets – ERP system**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Cost		
At beginning of the year	12,000,800	1,508,000
Reversal of the impaired system	(690,800)	(1,508,000)
<b>Additions</b>	-	12,000,800
Cost end of the year	11,310,000	12,000,800
Amortization and impairment		
<b>At beginning of the year</b>	2,400,160	(1,508,000)
Reversal of the depreciation on impaired system	-	1,508,000
Amortization	2,262,000	2,400,160
Reversal of amortization charged	(138,160)	
Amortization at end of the year	4,524,000	2,400,160
<b>NBV</b>	<b>6,786,000</b>	<b>9,600,640</b>

**Bureti Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes to the financial statements (continued)  
21. Property, plant and equipment**

	Land		Buildings and Structures		Cubro pavements		Motor vehicles		Fence		Equipment, Furniture and fittings		Computers and Accessories		Plant and Machinery		Water pan		Basket ball pitch		Capital Work in progress		Total	
	Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 30th June 2020	225,000,000	2%	50,651,244	10%	7,489,630	12.5%	-	12.5%	-	12.5%	1,941,552	25%	2,475,000	12.5%	148,000	10%	-	20,276,485	20%	-	0%	307,981,911		
Transfer from WIP	-		11,881,130		-		3,636,919															(15,518,049)		
Capital donations	-		-		-		-		824,750		-		-		65,460,320			77,300,000						
Additions	-		25,237,671		-		-		-		615,000		3,201,400		-			4,052,360						
Revaluation (88,900,000)			111,750,955		(489,630)		-		-		3,949,248		1,214,440		0			10,789,204						
At 30th June 2021	136,100,000		199,521,000		7,000,000		4,461,669		4,461,669		6,505,800		6,890,840		65,608,320			96,900,000						
Additions	-		-		3,165,400		-		-		1,792,588		7,108,300		-			1,897,678						
At 30th June 2022	136,100,000		199,521,000		10,165,400		4,461,669		4,461,669		8,298,388		13,999,140		65,608,320			98,797,678						
Reinstatement of other institutions assets included	(21,100,000)		(52,000,000)																					(73,100,000)
At 30th June 2022 Reinstated	115,000,000		147,521,000		10,165,400		4,461,669		4,461,669		8,298,388		13,999,140		65,608,320			98,797,678						
Additions	-		-		2,545,310		-		-		8,394,037		2,548,598		639,186			6,177,865						
Capital donations	-		-										15,000,000											
Transfer from WIP	-		1,210,000		1,746,332													4,698,401						
At 30th June 2023	115,000,000		148,731,000		12,710,710		4,461,669		4,461,669		16,692,425		31,547,738		66,247,506			96,900,000						
Depreciation and impairment	-		-		-		-		-		-		-		-			-						
At 30th June 2021	-		3,990,420		1,750,000		892,334		892,334		813,225		2,067,252		8,201,040			-						
Depreciation	-		2,870,612		2,103,850		713,867		713,867		935,645		3,579,566		7,175,910			(8,075,543)						
At 30th June 2022	-		6,861,032		3,853,850		1,606,201		1,606,201		1,748,870		5,646,818		15,376,950			-						
Depreciation	-		2,837,399		1,107,108		356,934		356,934		1,867,944		6,475,230		6,358,820			84,162						
At 30th June 2023	-		9,698,431		4,960,958		1,963,135		1,963,135		3,616,815		12,122,048		21,735,770			469,840						
Net book values																								
At 30th June 2021	115,000,000		139,032,569		7,749,753		2,498,535		2,498,535		13,075,610		19,425,690		44,511,737			96,900,000						
At 30th June 2022	115,000,000		140,659,968		6,311,550		2,855,468		2,855,468		6,549,518		8,352,322		50,231,370			98,797,678						
At 30th June 2023	115,000,000		140,659,968		6,311,550		2,855,468		2,855,468		6,549,518		8,352,322		50,231,370			98,797,678						



Notes to the financial statements (continued)

22. Trade and other payables from exchange transactions

Description	2022-2023	2021-2022
	KShs	KShs
Trade payables	3,397,325	6,292,026
Fees paid in advance	-	7,055,443
Third-party payments - Payable to kericho Tvc	-	1,681,410
Third-party payments - Payable to Belgut Tvc	813,100	813,100
<b>Total trade and other payables</b>	<b>4,210,425</b>	<b>15,841,979</b>

23. Refundable deposits from students (caution money)

Description	2022-2023	2021-2022
	KShs	KShs
Balance brought forward	143,630	143,630
Add: Receipts	-	-
Less: write-back to income	(143,630)	-
Less: Expenses	-	-
Closing balance	-	143,630

24. Deferred income

Description	2022-2023	2021-2022
	KShs	KShs
Balance brought forward	9,417,800	9,417,800
Closing balance	<b>9,417,800</b>	<b>9,417,800</b>

25. Capital grants

Description	2021-2022	2020-2021
	KShs	KShs
Tuition and Administrative block donated by the government	47,000,000	47,000,000
Land donated by the community	225,000,000	225,000,000
Less impairment loss on the lance	(88,900,000)	(88,900,000)
Equipment and machinery donated by the government	65,460,320	65,460,320
WIP -	77,300,000	77,300,000
Donated computers	15,000,000	-
Transfer of depreciation from accumulated surpluses to capital grants	(34,487,379)	(956,285)
<b>Total capital grants</b>	<b>306,372,941</b>	<b>324,904,035</b>

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Notes to the financial statements (continued)**

**26.Revaluation reserve**

Description	Cost b/f as at 1st July 2020		Total cost	Less items not revalued	Total cost subjected to valuation	Market Value	Revaluation loss/gain on cost	Reversal of Depreciation B/F on revaluation	Revaluation reserve
	KShs	KShs							
Land	225,000,000	-	225,000,000	-	225,000,000	136,100,000	(88,900,000)	-	-
Buildings	50,651,244	25,237,671	87,770,045	-	87,770,045	199,521,000	111,750,955	3,793,286	115,544,241
Less revaluation reserve on third parties buildings									(52,000,000)
WIP - buildings (library, classrooms and missionary workshops)	20,276,485	4,052,360	86,110,796	-	86,110,796	96,900,000	10,789,204	-	10,789,205
Computers	2,475,000	3,201,400	5,676,400	(3,201,400)	2,475,000	3,689,440	1,214,440	1,470,100	2,684,540
Furniture and fittings	1,941,552	615,000	2,556,552	(615,000)	1,941,552	5,890,800	3,949,248	480,534	4,429,782
Motor Vehicle	7,489,630		7,489,630	-	7,489,630	7,000,000	(489,630)	1,872,408	1,382,777
Plant and machinery	148,000		65,608,320	-	65,608,320	65,608,320	-	36,630	36,630
Fence	-	824,750	4,461,669	(4,461,669)	-	-	-	-	-
<b>Total</b>	<b>307,981,911</b>	<b>33,931,181</b>	<b>484,673,412</b>	<b>(8,278,069)</b>	<b>476,395,343</b>	<b>514,709,560</b>	<b>383,142,17</b>	<b>7,652,957</b>	<b>82,867,174</b>

**Notes to the financial statements (continued)**

**27. Financial risk management**

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

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

**(i) Credit risk**

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

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

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

	<b>Total amount Kshs</b>	<b>Fully performing Kshs</b>
<b>At 30 June 2023</b>		
Receivables from exchange transactions	118,603,742	118,603,742
Receivable from mentored institution	4,870,708	4,870,708
Bank balances	38,878,176	38,878,176
<b>Total</b>	<b>162,352,626</b>	<b>162,352,626</b>
<b>At 30 June 2022</b>		
Receivables from exchange transactions	101,253,192	61,669,570
Receivable from mentored institution	4,570,708	250,000
Bank balances	67,548,253	67,548,253
<b>Total</b>	<b>173,372,153</b>	<b>173,372,153</b>

**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.

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

**(ii) Liquidity risk management**

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

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

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2023</b>				
Trade and other payables from exchange transactions		3,397,325	-	3,366,963
Deferred income		-	9,417,800	9,417,800
Payable to Belgut Tvc	813,100			813,100
<b>Total</b>	<b>813,100</b>	<b>3,397,325</b>	<b>9,561,430</b>	<b>13,597,863</b>
<b>At 30 June 2022</b>				
Trade and other payables		4,844,042	-	4,844,042
Refundable deposits from customers		-	143,630	143,630
Deferred income		-	9,417,800	9,417,800
Payable to Belgut Tvc	813,100			813,100
<b>Total</b>	<b>813,100</b>	<b>4,844,042</b>	<b>9,561,430</b>	<b>15,218,572</b>

**(iii) Market risk**

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

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

**Financial Risk Management (Continued)**

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

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

**28. Related party balances**

**Nature of related party relationships**

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

**Government of Kenya**

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Kenya Power Lighting Company Limited

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

	2022-2023	2021-2022
	Kshs	Kshs
<b>Transactions with related parties</b>		
<b>a) Grants /Transfers from the Government</b>		
Grants from National Government	32, 670,000	36,915,000
<b>Total</b>	<b>32, 670,000</b>	<b>36,915,000</b>
<b>b) Key Management Compensation</b>		
Directors' emoluments	3,314,760	2,086,320
Compensation to Key Management	2,139,290	
<b>Total</b>	<b>5,454,050</b>	<b>2,086,320</b>
<b>c) Purchases from related parties</b>		
Purchases of electricity from KPLC	2,524,411	

**29.Ultimate and holding entity**

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

**30.Currency**

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

## Appendix 1: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
1	<b>Inaccuracies of the Financial Statements.</b> Review of the financial statements for the year under review revealed variances between comparative balances and audited balances for the year ended 30 June, 2021	Financial statements were restated to indicate correct and approved opening balances	Resolved	
2.	<b>Unsupported Receivables from Exchange Transactions.</b> The statement of financial position and as disclosed in Note 17 to the financial statements reflects receivables from exchange transactions balance of Kshs.101,253,192. However, debtors' ageing analysis was not provided to identify long outstanding debtors and to review their collectability. In addition, the Institute did not have an approved policy on debtors' management	Currently the debtors' ageing analysis report can be generated from the Software. Debtors' policy has also been approved.	Resolved	
	<b>Budgetary Control and Performance.</b> The Institute statement of comparison of budget and actual amounts reflects Kshs.362,107,199 in respect to approved revenue budget and actual revenue of Kshs.169,365,448 resulting to underfunding of Kshs.192,741,751 or 53%. Further, the statement also reflects approved expenditure budget Kshs.194,404,032 and actual expenditure of Kshs.112,997,811 resulting to a budget under-expenditure of Kshs.81,406,221 or 42%. In the circumstances, the underfunding and under absorption of funds affected the planned activities and may have impacted negatively on service delivery to the public.	The current Financial Year Budget is achievable to avoid under-funding and under-expenditure.	Resolved.	

**Bureti Technical Training Institute**

**Annual Report and Financial Statements for the year ended 30th June 2023**

1.	<p><b>Report on Lawfulness and Effectiveness In Use of Public Resources.</b>                  Irregular procurement of Management Information system. Review of financial records revealed that the Institute entered into a contract with a Computer Systems firm on 25 June, 2021 for supply, installation training and implementation of an integrated enterprise resource planning system with four modules namely admissions, registry, financial, procurement and examination management at a cost of Kshs.2,900,000. The method of procurement used was request for quotations. However, the firm was not prequalified as required by Section 93(1) of the Public Procurement and Asset Disposal Act, 2015 and therefore request for quotation should not have been applied in this case. Further scrutiny of the documents revealed that the institute had negotiated with the supplier for additional modules namely human resource and payroll, institute portal, timetable, assets, library and bank integration at an additional cost of Kshs.7,192,000 via minutes dated 23 September, 2021. However, no evidence was provided to indicate that the additional modules procured were done in accordance with the provisions of the disposal act 2015 and its regulations in respect to direct procurement. In addition, as at the time of audit the vendor had been paid a total of Kshs.11,115,000 resulting to an overpayment of Kshs.1,023,000 in respect to total contract amount of Kshs.10,092,000. In the circumstances, Management was in breach of the law.</p>	<p>This was to address the issue of incompatibility and to less the duration it will take to implementation. We believe that it is best industry practice to procure and implement all the necessary modules from one vendor to avoid issues of compatibility and user training as per PPADA 2015 Sec 103 (d) for reasons of standardization. Furthermore, consultation with the vendor came to the conclusion that the ERP system was best effectively implemented by including the modules as human resource and payroll, institute portal, timetable, assets, library and bank integration.                  -The Local Service Orders raised had a total of Ksh.11,310,000. L.S.O dated 13<sup>th</sup> July 2021 for admissions\registry, finance, procurement and examination management at a cost of Kshs.2,900,000. L.S.O dated 1<sup>st</sup> October 2021 for modules namely human resource and payroll, institute portal, timetable, assets, library and bank integration at a cost of Kshs. 7,192,000 and L.S.O dated 1<sup>st</sup> December 2021 for Student ID Printing, Student attendance Management and Student Leaving Certificate at a cost of Kshs.1,218,000                  Management shall ensure adherence to the law on procurement of goods and services.</p>	Resolved	
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**Bureti Technical Training Institute**

**Annual Report and Financial Statements for the year ended 30th June 2023**

2.	<p>Non-Compliance with the Minimum wages. Guidelines Review of the payroll revealed that fifteen (15) employees' salaries were below the minimum wage which was in contravention with the Regulation of Wages (General) (Amendment) Order, 2018. In the circumstances, Management was in breach of the regulations.</p>	<p>During the year under review, the Board of Governors reviewed the salaries of all the employees.</p>	Resolved	
3.	<p>Irregular Increase of Board Allowances. Review of the board remuneration ledger and board minutes REF: BTTI/BOG/2022-2025IVOL/01 agenda MIN/BTTI/BOG/5/26/04/2022 on Board allowances, revealed that the board members agreed to raise their allowances to Kshs.20,000 exclusive of a transport allowance of Kshs.6,000. The Technical and Vocational Education and Training Act, 2013, Second Schedule, Section 17 states that an approval of the Cabinet Secretary is required with respect of board member services such as remuneration or allowances. The Institute was unable to provide an approval to the same effect. In the circumstances, the regularity of the expenditure on Board allowances could</p>	<p>The Board of Governors sent a letter to the Cabinet Secretary for the approval of increase in allowances dated 4<sup>th</sup> April 2023.</p>	Resolved	
1.	<p><b>Report on Effectiveness of Internal Controls, Risk Management and Governance</b> Failure to prepare Human Resource plans Review of records revealed that the Institute did not maintain a <b>scheme of service</b> for its employees showing clearly the points of entry into employment, academic or technical requirements, career progression, promotion requirements, establishment requirements per cadres and others. Further during the year under review, the institute did not have an approved <b>staff establishment</b> and thus it was not clear how positions were filled. Therefore, it was not possible to determine whether the Institute had optimum staff or not. This was contrary to the Human Resource Policies and Procedures Manual for the Public Service, 2016 Section B2(1) states that every Ministry/State Department shall prepare Human Resource Plans to support the achievement of goals and objectives in their Strategic plans. The plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues and needs. In the circumstances, the Institute did not have human resource plans to support</p>	<p>The Board of Governors has approved Staff establishment and career progression.</p>	Resolved	

**Bureti Technical Training Institute**

**Annual Report and Financial Statements for the year ended 30th June 2023**

2.	<p>Lack of Risk Management and ICT Policy The Institute Management had not put in place risk management policy, strategies, and risk register to mitigate against risk. Therefore, it was not clear how the Management manages risk exposures. This is in contravention of Regulation 165 (1)(a) and(b)of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and the county government entity develops a system of risk management and internal control that builds robust business operations. Further, the Institution did not have an ICT Policy and Business Continuity Plan that stipulates how ICT related risk are identified, managed and how to utilize ICT in monitoring the performance of the Institute. In the circumstances, the Institute's IT assets may not be efficiently utilized and the Institute may be exposed to ICT security threats.</p>	<p>The Board of Governors have approved Risk and ICT Policy and have been implemented.</p>	Resolved	
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Name: Sammy K. Cheruiyot.

Signature:



Accounting Officer/Senior Principal

Date. 10<sup>th</sup> march, 2025

**Bureti Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**

**Appendix II: Projects Implemented by the Entity**

**Status of Projects completion**

S/NO.	PROJECTS	DESCRIPTIONS	CONTRACTOR	AMOUNT PAID	DATE	STATUS
1	Landscaping and cabro paving	Labour based		1,746,332	19/09/2022	completed
2	Aluminium partitioning of offices	Total payment (exclusive of retention)	Alfabet East Africa Limited	2,810,240	8/02/2023	completed
3	Water pan	2 <sup>nd</sup> Payment Exclusive of retention	Fast and Vast Limited	1,756,591	07/3/2023	completed
4	Posho mill Construction	Labour based		1,210,000	17/01/2023	completed
	<b>TOTAL</b>			<b>7,523,163</b>		

**Bureti Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2023**

**Appendix III- Inter-Entity Confirmation Letter**

Bureti Technical Training Institute  
P.O. Box 444, 20406  
Sotik

The Ministry of Education, Science and Technology, State Department for Technical, Vocational, Education and Training wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2023 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 Bureti Technical Training Institute as at 30 <sup>th</sup> June 2023							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2023			Total (D)=(A+B+C)	Amount Received by [beneficiary Entity] (KShs) as at 30 <sup>th</sup> June 2023 (E)	Differences (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)			
1	24 <sup>th</sup> October 2022	9,470,000			9,470,000	9,470,000	-
2	26 <sup>th</sup> January 2023	11,600,000			11,600,000	11,600,000	-
3	29 <sup>th</sup> June 2023	11,600,000			11,600,000	11,600,000	-
<b>Total</b>		<b>32,670,000</b>			<b>32,670,000</b>	<b>32,670,000</b>	<b>-</b>

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

**Head of Accounting department of beneficiary Entity** BURETI TECHNICAL TRAINING INSTITUTE

Name ..... Janeth Chap.kimani ..... Sign ..... [Signature] ..... Date ..... 10th March 2023 .....