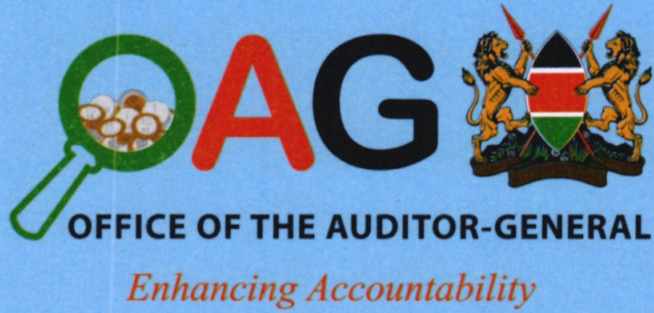


REPUBLIC OF KENYA



**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 JUL 2025	DAY WEDNESDAY
TABLED BY: HON. (DR) ROBERT PUKOSE	OF <b>THE AUDITOR-GENERAL</b>
CLERK AT THE TABLE: HANNA SALEMATI	

PARLIAMENT  
OF KENYA  
LIBRARY

**ON**

**ENDEBESS TECHNICAL TRAINING  
INSTITUTE**

**FOR THE YEAR ENDED**

**30 JUNE, 2023**





---

***ENDELESS TECHNICAL TRAINING INSTITUTE***

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

---

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

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

---

**Table of Contents**

1.	Acronyms & Glossary of Terms .....	ii
2.	Key Entity Information and Management .....	iii
3.	The Council/Board of Governors.....	vii
4.	Key Management Team.....	viii
5.	Chairman’s Statement.....	ix
6.	Report of the Principal.....	x
7.	Statement of Performance against Predetermined Objectives .....	xi
8.	Corporate Governance Statement .....	xiii
9.	Management Discussion and Analysis .....	xiv
10.	Environmental And Sustainability Reporting Statement .....	xv
11.	Report of the Council/Board of Governors.....	xvii
12.	Statement of Board of Governors/ Council’s Responsibilities .....	xviii
13.	Report of the Independent Auditor Endebess Technical Training Institute.....	xx
14.	Statement of Financial Performance For The Year Ended 30 June 2023 .....	1
15.	Statement of Financial Position As At 30th June 2023 .....	3
16.	Statement of Changes in Net Asset For The Year Ended 30 June 2023.....	5
17.	Statement of Cash Flows For The Year Ended 30 June 2023 .....	6
18.	Statement of Comparison of Budget&Actual amounts For Year Ended 30 June 2023 .....	7
19.	Notes to the Financial Statements.....	8
20.	Appendices.....	53

**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
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
Fiduciary Management	Key management personnel who have financial responsibility in the entity
TVET	Technical & Vocational Training
TVETA	Technical & Vocational Training Association
KICD	Kenya Institute of curriculum Development
KNEC	Kenya National Examination Council

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

---

**2. Key Entity Information and Management**

**(a) Background information**

Endebess Technical Training Institute was incorporated/ established under the TVET Act on 24th January, 2017. The entity is domiciled in North Rift, Trans-Nzoia County, Endebess Sub-County - Kenya. The institute is under the Ministry of Education, State department of Vocational and Technical Training. The institute offers Technical and business education programmes at both diploma and craft certificate level. These programs are designed by KICD under the authority of the ministry of education and examined by KNEC and Government Trade Test (G.T.T). The mission of the institute is to provide quality and relevant technical entrepreneurial and management training for skills development.

**(b) Principal Activities**

The principal Activities of the Technical Institute is drawn from its vision to be a centre of excellence in technical skills development and Innovation. This enhanced through training and enhancing the practical aspects relevant to industry demand and needs.

In line with this it aims to train competent and innovative manpower in Technical and vocational disciplines to meet the needs of industry and society and the country's goal in the achievement of the objectives of VISION 2030.

**(c) Key Management**

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

- Board of Governors headed by the board Chairman.
- Accounting officer/ Principal
- Management – Top and middle level Management

**(d) Fiduciary Management**

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

SN.	Designation	Name
1.	Principal	<b>Mr. Daniel Kakusha Kamatei.</b>
2.	Deputy Principal -Administration	<b>Mr. John k. Chumba</b>
3	Deputy Principal Academics	<b>Mrs. Robina Luvindi (Ag)</b>
4	Registrar	<b>Mr. Philip Tum (Ag)</b>
5	Dean of students	<b>Mrs. Daisy Bundotich (Ag)</b>
6	Head of Finance	<b>Mr. Ndiwa John Kiplimo</b>
7	Head of Procurement	<b>Mr. Oliver Kiprono Biwott.</b>

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

**(e) Fiduciary Oversight Arrangements**

**Academic Committee**

This committee comprises of all members of Top management and Heads of Department.(HODs).The main activity of this committee is to monitor teaching and training by the trainers. The committee is headed by the Deputy Principal academics. There operations are guided by Academic Policy.

**Human Resource Advisory committee.**

This committee is tasked with recruitment, terms of contract and enumeration for the staff employed under the Board of Governors. Their mandate and operation framework is in the human Resource Policy document.

**Asset Management committee**

This committee is tasked with identify and managing all the institute assets. They maintain an inventory of all the assets including, all furniture's, computers, Tractors and farm implements, and all workshop equipment's. This is inclusive of all equipment's that were bought or was acquired through donor donations or government's grants.

It's headed by the Performance contracting Officer with other members and its activities are reported by its vocal person.

**(f) Entity Headquarters**

P P.O. BOX 190-30201  
ENDEBESS  
KITALE-ENDEBESS-SUAM ROAD / HIGHWAY  
TRANS-NZOIA COUNTY, KENYA  
ENDEBESS SUB-COUNTY

**(g) Entity Contacts**

Telephone: (+254)740583700  
E-mail: [endebsstechnical@gmail.com](mailto:endebsstechnical@gmail.com)  
Web site: <http://endebsstechnical.ac.ke>

**(h) Entity Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

Other Commercial Banks

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

---

1. Absa Bank of Kenya.  
Kenyatta Street.  
P.O. Box 30120.  
Kitale, Kenya
  
2. Kenya Commercial Bank.  
Kenyatta Street.  
P.O Box Kitale, Kenya.
  
- 3 Equity Bank.  
Kenyatta Street.  
P.O Box 75104.  
Kitale, Kenya.

**(i) Independent Auditors**

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









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

**(j) Principal Legal Adviser**

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

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

**3.The Council/Board of Governors**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	 Dr. Michael Kitiyo. BoG Chairman	<i>Dr. Micheal Kitiyo was born in 1949. He Holds MBA/Dip Tele communication Engineering. He works as an at Engineer Malaba-Keya and partners Architects ltd, He has over 10years working Experience, Chairman kenya chamber of commerce for 5years..</i>
2.	 Mrs. Ruth Khasandi Efetha.	<i>Mrs. Ruth was born in 1986. She holds LLB and works with Buluma and company Advocate, Kivai and Co. advocates with over one-year experience.</i>
3.	 M/s. Angeline Mutisya.	<i>Mrs. Angeline Mutisya was born in 1972. Angeline holds BSC Micro Biology/DIP Medical lab technology and work as a director at Davengel Enterprises ltd with work experience of over 6 years.</i>
4.	 Mr. Abraham Kiboki	<i>Mr. Abraham Kiboki was on 1975. He holds Bed (Science), Egerton University and Has passed CPA part Two.</i>
5.	 Eng. Philip Pkenden Ndiwa	<i>Mr Philip Pkenden Ndiwa was Born on 05th feb, 1958. He Holds MBA-Planning &amp; Management UON, Bsc.Education Tech-Moi University, and Diploma in M.V.T Part III Kenya Polytechnic.</i>
6.	 Dr. Mourice Rotich Cherogony	<i>Dr. Mourice Rotich Cherogony was Born on 21<sup>st</sup> feb, 1966. He Holds a Degree in Vert.Medicine UON Hes the Area Manager ADC-Kitale Branch</i>
7.	 Prof. Peter Beerachesebe Kibas	<i>Prof. Peter Beerachesebe Kibas was Born on 05th May, 1952. He Holds a Phd. Entrepreneurship-illnois USA, MED,BED-business Studies-University of News Bronswik Canada,SI-Teachers Certificate KU,PG certificate in distance Learning UON.</i>
8.	 Daniel Kakusha Kamatei Principal/ Secretary to the Board	<i>Mr Daniel Kakusha was Born on 10th Jan, 1970. He Holds BSc, PGDE (MATHS /CHEM) and Diploma in Business Mgt(K.I.M)</i>

**4. Key Management Team**

<i>SN.</i>	<i>Member/ Director</i>	<i>Details</i>
1.	<i>Daniel Kakusha Kamatei Principal/ Secretary to the Board</i>	<i>-Head of Institution -Hes the Accounting Officer -Hes the Secretary to Board of Management -Training in the subject Specialization</i>
2.	<i>Mr. John K Chumba (Ag-Deputy Principal – Administration)</i>	<i>- Training in the subject Specialization -Taking charge of Institution administration -</i>
3.	<i>Mrs. Robina Luvindi (Ag-Deputy Principal - Academics)</i>	<i>-Supervision of Tuition programmes - Training in the subject Specialization -Supervision and maintance of proper inventories</i>
4.	<i>Mr. Philip Tum (Ag-Registrar)</i>	<i>- Training in the subject Specialization -Admission of students -In charge of curriculum implementation -Head of Linkages and Marketing</i>
5.	<i>Mr. John Ndiwa Kiplimo (Finance Officer)</i>	<i>-Head of Finance department -Prepare books of Accounts -Bank statements Reconciliation -Prepare budgets -Preparing payment schedules</i>
6.	<i>M/s Daisy Bundotich (Ag-Dean Of Students)</i>	<i>- Training in the subject Specialization -. Incharge of catering &amp; accomodation, -Organize and conduct periodic free and fair student's council elections.</i>

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

---

**5. Chairman's Statement**

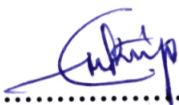
In the financial Year 2022/2023 that ended in June 2023, the institute had made milestone through the year. Quite a number of progresses were reported. The notable was in the increased enrolment of students/Trainees in the institution. Amongst the milestones was the construction the female students' hostels alongside the hostels were the multipurpose hall which has can accommodate a sitting capacity of 200 trainees when we are having either internal or external students forum.

Other forums can be carried in the multipurpose hall when its construction comes to conclusion. Alongside the Multipurpose hall, construction of female hostel begun. When complete, its expected to host more than 200 female trainees.

Additionally, the institute fabricated 30 lecture chairs for trainees. This is to curb the perennial shortages of lecture chairs. Fabrication was done in the department of Mechanical & Automotive Engineering workshops.

A lot of projects were earmarked for establishment in the institution, this was not possible due to the limited finances and the limited resources to be utilised on undertaking this dream projects. Nevertheless the Board will continue engaging the government and the Ministry of education to appeal for more grants /grants to initiate development of the more crucial infrastructure to enhance training in enhancing knowledge and imparting skills to trainees.

In the next financial year, the institute is expected to further grow on the institutions infrastructure and to engage further with Agricultural Development Corporation (ADC) for more Land to enable the Institution achieve its dream of Excellency in Agriculture.



.....  
**Chairman Board Governors**

## **6. Report of the Chief/SeniorPrincipal**

The Endebess Technical Training Institute in its mandate to offer Technical and Vocational training undertook programmes that enabled realization of this goal. Expansion of all the institutions facilities and capacity building of members of staff to enable them cope up with the dynamic industry requirements. It's in this spirit that the institution upgraded its infrastructure including bringing to completion the fabricated classrooms to assist quell the rising demands for classrooms.

The institute resulted into designing and fabrication of temporary classrooms to check on the increasing number of students into the institution. A number of courses has been rolled out and students were admitted to pursue this classical course hence straining on the already strained facility.

The design and fabrication of temporary classes was because of lack of funds to do permanent classrooms at the time period. This also required a number of lecture chairs in which 30 were fabricated then against a required more than 100 units. There weren't enough funds to do the required chairs but more will be fabricated in the coming financial period.

A milestone witnessed in the period was the ground breaking for the construction of female Hostels and the multipurpose complex. The project is being funded by the National Government Constituency Development Fund (NG-CDF) Endebess constituency.

The project is expected to come to a conclusion in the next financial year as was promised by the Endebess constituency Member of the National Assembly.

Among other projects that the member of National Assembly promised to undertake includes;

- Building a two storey tuition block
- Building of a Men/Boys Dormitory
- Murraming of the Access Road to the institution.

Of great concern in the institution is the management of recurrent expenditures that includes operational costs-salaries and purchase of consumables for research and practicals. Delayed release of capitation funds has impacted negatively on the operation of the institute and more so on the upcoming new courses that have been mounted on the recent past as the college puts forward avenue for newly established courses that are demand, industry and market driven.



.....  
**Principal / Secretary Board Governors**



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

---

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

In its attaining of its objective, Endebess TTI has looked through aspects that promote its mandates through Quality and relevance engagement with all the stakeholders government of Kenya included. This will strengthen institutional human and organizational capacity as its objectives are met.

The institution which is heavily dependent on Government funding for funding its development and recurrent expenditure performed averagely towards attaining of this.

Endebess TTI has 10 strategies objectives within current Strategic Plan for the FY 2020- FY 2024. The institution needs to position itself competitively in the market in order to realize her vision and mission. The strategic issues, objectives and strategies' were tailored to development and subsequent operations in the next five years.

Endebess TTI developed its annual work plans based on the above 10 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 2022/23 period for its 4 strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key Performance Indicators</b>	<b>Activities</b>	<b>Achievements</b>
Vocational & Technical Programmes & quality teaching	To develop quality academic programmes and teaching pedagogy	-curriculum review reports -Implemented recommendation of review report	Evaluate existing vocational & Technical curricula through internal and external approach	Developed academic Policy document
Identifying, recruiting, training and developing quality staff	To attract, develop and retain highly motivated staff.	-Identify, recruit and retain relevant staff. -Develop human resource manual -Carry out continuous development	-Recruit staff who are qualified and competent	-Number of staff recruited -Qualification of staff -Staff establishment report
Learning facilities	To establish and maintain learning facilities, infrastructure and services	-ICT and Library Services -Development and Maintenance of Infrastructure and Facilities	-provide quality network infrastructure -improve level of library holdings	-Network upgrade in the institution -procure ICT equipments

**Endebess Technical Training Institute**

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

---

HIV & AIDS pandemic and substance abuse	To provide a framework for addressing HIV and AIDS pandemic as well as substance abuse	-Policy on HIV/AIDS and substance abuse -Establish G& C office	Prevent discrimination and/or stigmatization of staff and Trainees because of real or perceived HIV and substance abuse status.	-Policy on HIV/AIDS -Established office of G& C -
---	--	---	---	---

## **8. Corporate Governance Statement**

The current governance and leadership structure and system needs to be continuously reviewed to serve the challenging, dynamic and competitive environment in which Endebess TTI is operating. The Institution's governance and leadership should embrace prudent and more business-like approach in its management in order to seize the emerging opportunities.

A Board of Governors (BOG) is a governing body that helps manage the school's vision, policies, and performance. BOGs also work to improve the school's community relations and involve all the stakeholders.

The responsibilities of a BOG include but not limited to; Managing finances, Monitoring performance, manage the school's budget and raise funds for projects. Its also mandated with Recruiting and managing staff. The institution resources are managed by the board. BOGs are legally mandated by the Ministry of Education, its membership is voluntary

The members of the board are appointed through a transparent process where stakeholders are involved and reputable members of the public are drawn from the various categories

The members of the board are drawn from the following categories

-Chairpersons, Leadership, Finance, Technology, Industry, Engineering and ICT/law. From each category, three members are nominated and forwarded to Permanent Secretary (PS) for final nominations and appointments.

They are then appointed and issued appointment letters. After receipt of appointment letters, members acknowledge through acceptance of the appointments. Immediately after acceptance, the members are inaugurated into the Board .This is activity is undertaken by the County TVET director.

This is followed by an induction training which is normally between 2-3 days and carried out by trained facilitators on matters governance.

The Board of management will be ready to discharge on their mandate. They shall then constitute themselves into operative committees namely; Finance, Administration and Infrastructure development committee, Education training and Research and audit, Risk and Compliance.

The board did hold meetings in the course of the term. During this meeting that were held every member was entitled to sitting allowance of Kshs.5,000 for members and kshs, 8,000 for the chairperson.

## **9. Management Discussion and Analysis**

The institute has been able to operate for the entire period though with financial challenges but it has been able to fulfil its mandate of impacting technical skills to learners. The institution faces a myriad of challenges to mention but a few, lack of well-equipped science laboratory, lack of piped water, few classes, limited accommodation facilities and limited land for expansion and agricultural fields for trainers, all of which require funds. Irregular cash flows in form of M.O.E capitation and unfulfilled promises from CDF for bursaries, to poor and needy students who form the bulk of the student population has not done much to improve the much-needed infrastructure.

A number of investments were earmarked to be undertaken but because of limited resources a few were achieved. Completion /partial completion of the multipurpose hall together the female students were among the completed projects.

Fabrication of lecture chairs and beds for newly completed female hostels were successfully undertaken. The completion of the sewage line for the new female hostel was done. Purchase of more equipment's for our laboratories was undertaken and more so the purchase of all requirements for practical's during national examinations.

The institute has complied with statutory requirements. The operating acts from the M.O.E are in place, Safety standards; curriculum implementation from the MOE is being adhered to. The Kenya Constitution and its guidelines are being adhered to.

The risk factors facing the institution are constant review of curriculums which is causing a lot of uncertainty in implementation of the already established curriculum. Also the high rates of students drop out from the surrounding high schools (Sabwani and Sabwani girls) poses a challenge in the drop in enrolment, because most of the students are from the surrounding high schools from Endebess Sub-County.

The funding model is posing a risk to admissions because the area is occurred by casual laborers working at the nearby ADC and Kenya Seed farms. Revised fee guidelines by the ministry of Education has lots unpredictability in the student's enrolments.

The economic activities of the surrounding poses arisk to the institution because affordability of technical Education to the natives is subject to their economic wellbeing to afford technical education.

## **10. Environmental And Sustainability Reporting Statement**

### **Sustainability strategy and profile**

Sustainability which is the management and coordination of environment, financial social and economic resources to ensure success and continuity of the institution. Social, environmental and economic demands are considered as they greatly influence operations and sustainability of the institution. A sustainable organization is an organization that plans ahead. For sustainability purposes, an organization has to put forward a strong argument as to why it needs to be in place. The future of an organization depends highly on its capability to address problems within the community in which it plans to exist. This has been addressed through involvement of all stakeholders in well-orchestrated marketing drive in the surrounding community. Outreach programmes spearhead by the local leaders will go well in ensuring suitability by having better enrolment for every intake. Prudent use of finances will ensure sustainability as this will build trust and confidence in the use of resources.

### **Environmental performance**

The National Environmental Management Agency guidelines are being adhered to by the institution at all the levels for its operation. The institution is keen on its waste disposal even though such wastes are very less because the institution is still expanding and not so much wastes currently.

### **Employee welfare**

In the matters of employment, Endebess Technical Training Institute is an equal opportunity employer. Hiring of employees is guided by the principles of the various job descriptions in strict compliance to the Human Resource Policy (2023). Their stakeholder engagement and approvals for all vacancies declared or are available.

Every year, Appraisals are undertaken by the Human Resource Office and a report is put forward giving detailed information on performances per individuals, Gaps identified, strengths and weak areas.

The appraisal report details the on the areas of improvements, individuals requiring capacity building, retooling e.t.c.

### **Market place practices-**

- a) In the sphere of market place practice, the institute has ensured that competition is fair to all the stakeholders. In the discharge of its mandate, all biddings, marketing are done fairly, duped with the slogan that the institution is corruption free and its service are available as outlined in the Service Charter.
- b) Good business practices are maintained by the organization by timely honouring its entire financial obligation to all its creditors, Suppliers or any other service

provider. All the drawn contracts have been in spite of the financial challenges being experienced.

### **Corporate Social Responsibility / Community Engagements**

During the year, quite a number of corporate social responsibilities undertaken. The Institute community (All staff and Students participated in the community cleaning exercise at the Endebess market. The exercise clearly illustrated to the community on the need to live in a clean environment. This has been accepted and the element of cleanliness adopted in the surrounding community.

Tree planting is an activity in which the surrounding community has not been left. the institution which received tree seeds and after the establishment of the seedling nursery, there was a community outreach in which members of the public together with staff and students planted trees in the compounds of neighbouring persons, along highways and feeder roads.

There's has been a visit by members of staff and students to the sick/admitted patients at Endebess sub- County hospital on numerous occasions.

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

---

**11. Report of the Council/Board of Governors**

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Endebess Technical Training Institute financial affairs.

**Principal activities**

The principal Activities of the Technical Institute is drawn from its vision to be a centre of excellence in technical skills development and Innovation. This enhanced through training and enhancing the practical aspects relevant to industry demand and needs.

In line with this it aims to train competent and innovative manpower in Technical and vocational disciplines to meet the needs of industry and society and the country's goal in the achievement of the objectives of VISION 2030.

**Board of Governors**

**Board of Governors**

The members of the Board /Council who served during the year are shown on page (VI). During the year 2023 no director retired/ resigned.

**Auditors**

The Auditor General is responsible for the statutory audit of the *Endebess Technical Training Institute* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *Endebess Technical Training Institute* for the year/period ended June 30, 2023, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....  
**Secretary of the Board/Council**  
**Nairobi**

**Date:**



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

Section 81 of the Public Finance Management Act, 2012 and require the council members to prepare financial statements in respect of that *Endebess Technical Training Institute*, which give a true and fair view of the state of affairs of the *entity* at the end of the financial year/period and the operating results of the *Endebess Technical Training Institute* for that year/period. The Council members are also required to ensure that the *Endebess Technical Training Institute* keeps proper accounting records which disclose with reasonable accuracy the financial position of the *Endebess Technical Training Institute*. The council members are also responsible for safeguarding the assets of the *Endebess Technical Training Institute*.

The Council members are responsible for the preparation and presentation of the *Endebess Technical Training Institute's* financial statements, which give a true and fair view of the state of affairs of the *Endebess Technical Training Institute* 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 the *Endebess Technical Training Institute*, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Council members accept responsibility for the *Endebess Technical Training Institute's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (*the State Corporations Act, and the TVET Act*). The council members are of the opinion that the *Endebess Technical Training Institute's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2023, and of the *Endebess Technical Training Institute's* financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the *Endebess Technical Training Institute*, which have been relied upon in the preparation of the *Endebess Technical Training Institute's* financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the *Endebess Technical Training Institute's* ability to continue as a going concern *OR*  
Nothing has come to the attention of the Council members to indicate that the *Endebess Technical Training Institute* will not remain a going concern for at least the next twelve months from the date of this statement.

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

---

**Approval of the financial statements**

The *Endebess Technical Training Institute* financial statements were approved by the Board on \_\_\_\_\_ and signed on its behalf by:

  
.....

**Name: Dr Michael C. Kitiyo**  
**Chairperson Board Governors**

  
.....

**Name: Daniel Kakusha Kamatei**  
**Accounting Officer/Principal**

# REPUBLIC OF KENYA

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



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

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

---

### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Endebess Technical Training Institute set out on pages 1 to 53, which comprises of 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 in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Endebess 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 Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Biological Assets**

The statement of financial position reflects biological assets balance of Kshs.355,000 as disclosed in Note 34 to the financial statements. However, the Institute did not carry out annual physical verification of the assets to match the recorded assets with physical existence. Further, there is no stock movement schedule of biological assets to support the value at the end of the year.

In the circumstances, the accuracy, existence and completeness of biological assets balance of Kshs.355,000 could not be confirmed.

#### **2. Understatement of Fixed Assets**

The statement of financial position reflects property, plant and equipment balance of Kshs.50,160,654 as disclosed in Note 31 to the financial statements. However, review of records revealed that the Institute stands on a five (5) acres parcel of land allocated by the Agricultural Development Corporation (ADC) and a total of five (5) tractors donated by the Ministry of Education. However, their values have not been determined and included in the financial statements. Further, the Institution does not have the title deed of the parcel of land while the tractors do not have registration number plates and log books.

In the circumstances, the accuracy, ownership, existence and completeness of property, plant and equipment balance of Kshs.50,160,654 could not be confirmed.

#### **3. Long Outstanding Receivables from Exchange Transactions**

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.21,171,006 as disclosed in Note 27(a) to the financial

statements. The balance includes students' fees arrears amounting to Kshs.12,509,066 which remained outstanding for more than one (1) year while Management did not provided evidence of measures being taken to recover these arrears.

In the circumstances, the recoverability of fees arrears totaling Kshs.12,509,066 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Endebess 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 final income budget and actual income on comparable basis amount of Kshs.67,360,000 and Kshs.35,449,756 respectively, resulting in an underfunding of Kshs.31,910,244 or 47% of the budget. Similarly, the statement reflects budgeted expenditure of Kshs.67,360,000 against actual expenditure of Kshs.33,682,378 resulting in an under-expenditure of Kshs.33,677,622 or approximately 50% of the budgeted expenditure.

The under-funding and under-expenditure affected the planned activities and may have impacted negatively on the Institute's performance and service delivery.

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**

The Management is responsible for the other information set out on page ii to xix which comprise of Key Information and Management, the Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Corporate Governance Statement, Management Discussion and Analysis, 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 THE USE OF PUBLIC RESOURCES

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Late Submission of Annual Report and Financial Statements**

The annual report and financial statements for the year ended 30 June, 2023 were submitted to the Auditor General on 25 February, 2025. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

#### **2. Non-Compliance with the One Third Rule on Staff Composition**

Review of the human resource records and staff biodata revealed that, one hundred and forty-two (142) teaching and non-teaching staff out of which ninety (90) or 63% were from the same ethnic community. This was contrary to Section 7(1) and (2) of National Cohesion and Integration Act, 2008 which requires all public establishments to seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of Internal Audit Function**

During the year under review, the Institution did not have an internal audit function/department in place. This was contrary to Regulation 160(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which provides for the establishment of an internal audit function to review and evaluate budgetary performance, financial management, transparency and accountability mechanisms and processes in Institute.

In the circumstances, the effectiveness of the internal controls could not be confirmed.

#### **2. Weaknesses in Information and Communication Technology Control Environment**

Review of IT governance documents and interviews with Management revealed that the Institute did not have an approved Risk Management and ICT policies. Further, the Institute lacked an IT Strategy and IT Steering Committees to oversee the Institution's IT assets, IT strategic plan and a formal, documented and tested emergency procedure in place. In addition, the Institute failed to secure an offsite backup location to enhance business continuity in case of a natural disaster or malicious damage of the Institute's data and information.

In circumstances, the effectiveness of the IT internal controls could not be confirmed.

#### **3. Incomplete Fixed Assets Register**

Review of the fixed asset register revealed that it was not updated and lacked important information such as the acquisition costs, opening and closing balances at the end of the

year, serial numbers, models and makes. Further, Management did not maintain, approved detail orders, fuel register and work tickets for each of the five (5) tractors it owns.

In the circumstances, the effectiveness and reliability of internal controls on management of fixed assets could not be confirmed.

#### **4. Failure to Establish an Approved Board Charter**

Review of documents revealed that Management did not prepare and adopt the approved Board charter, that was to define the roles, responsibilities and functions of the Board in the governance of the Institution. This was contrary to Section 1(11) of The State Corporation Advisory Committee (SCAC), 2015 which provides that Board should develop and adopt a Board Charter which defines the responsibilities and functions of the Board in the governance of the organization.

In the circumstances, the effectiveness of the Board in governance of the Institute could not be confirmed.

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

#### **Responsibilities of the Management and Board of Governors**

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

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

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

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

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


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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards 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 ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**20 June, 2025**

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

**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 other National Government entities	6	11,321,000.00	13,897,500.00
Grants from donors and development partners	7	0.00	0.00
Transfers from other levels of government	8	0.00	0.00
Public contributions and donations	9	0.00	0.00
		<b>11,321,000.00</b>	<b>13,897,500.00</b>
<b>Revenue from Exchange transactions</b>			
Rendering of services- fees from students	10	13,909,856.00	15,031,119.00
Sale of goods	11	0.00	0.00
Rental revenue from facilities and equipment	12	113,000.00	263,000.00
Finance income	13	0.00	0.00
Other income	14	10,105,900.00	10,583,275.00
<b>Revenue from Exchange transactions</b>		<b>24,128,756.00</b>	<b>25,877,394.00</b>
<b>Total Revenue</b>		<b>35,449,756.00</b>	<b>39,774,894.00</b>
<b>Expenses</b>			
Use of goods and services	15	21,344,393.00	22,998,364.00
Employee costs	16	9,255,340.00	7,263,596.00
Board /Council Expenses	17	316,000.00	389,250.00
Depreciation and amortization expense	18	2,291,406.00	2,191,732.00
Repairs and maintenance	19	750,245.00	1,533,980.00
Contracted services	20	0.00	0.00
Grants and subsidies	21	0.00	0.00
Finance costs	22	0.00	0.00
<b>Total Expenses</b>		<b>33,957,384.00</b>	<b>34,376,922.00</b>
<b>Other Gains/(Losses)</b>			
Gain on sale of assets	23	0.00	0.00
Gain/ Loss on fair value of investments	24	0.00	0.00
Impairment loss	25	(0.00)	(0.00)
<b>Total Other Gains/(Losses)</b>		<b>0.00</b>	<b>0.00</b>
<b>Net surplus/(deficit) for the year</b>		<b>1,492,372.00</b>	<b>5,397,972.00</b>


*(The notes set out on pages 1 to 7 forms an integral part of the Annual Financial Statements).*

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

---

The Financial Statements set out on pages 1 to 7 were signed by:

  
.....  
**Chairman of Council/Board**

  
.....  
**Finance Officer**  
**ICPAK No: 31606**

  
**Principal**

Date: 14th July, 2023

Date 14th July, 2023

Date: 14th July, 2023.

**Endebess 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**

Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	26	3,301,028.00	680,317.00
Current portion of receivables from exchange transactions	27(a)	21,171,006.00	12,607,726.00
Receivables from non-exchange transactions	28	0	0
Inventories	29	0	0
Investments in financial assets	30	0	0
<b>Total Current Assets</b>		<b>24,472,034.00</b>	<b>13,288,043.00</b>
<b>Non-Current Assets</b>			
Long term receivables from exchange transactions	27(b)	0	0
Investments	30	0	0
Property, plant, and equipment	31	50,160,654.00	51,722,450.00
Intangible assets	32	1,226,790.00	0,00
Investment property	33	0	0
Biological Assets	34	355,000.00	293,000.00
<b>Total Non-Current Assets</b>		<b>51,742,444.00</b>	<b>52,015,450.00</b>
<b>Total Assets</b>		<b>76,214,478.00</b>	<b>65,303,493.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	35	23,256,474.00	13,837,861.00
Refundable deposits from customers	36	0	0
Current provisions	37	0	0
Finance lease obligation	38	0	0
Deferred income	39	0	0
Employee benefit obligation	40	0	0
Payments received in advance	41	0	0
Current portion of borrowings	43	0	0
Social Benefits	45	0	0
<b>Total Current Liabilities</b>		<b>23,256,474.00</b>	<b>13,837,861.00</b>

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

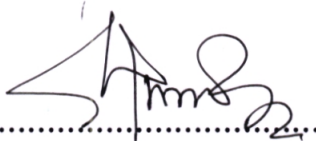
Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Non-Current Liabilities</b>			
Finance lease obligation	38	0	0
Deferred income	39	0	0
Non-Current Employee Benefit Obligation	40	0	0
Non-Current Provisions	42	0	0
Non- Current Borrowings	43	0	0
Service Concession Liability	44	0	0
Social benefits	45	0	0
<b>Total non- current liabilities</b>		<b>0</b>	<b>0</b>
<b>Total Liabilities</b>		<b>23,256,474.00</b>	<b>13,837,861.00</b>
<b>Net Assets</b>		<b>52,958,004.00</b>	<b>51,465,632.00</b>
Revaluation Reserves		0	0
Accumulated Surplus		555,738.00	-936,634.00
Capital Fund		52,402,266.00	52,402,266.00
<b>Total Net Assets and Liabilities</b>		<b>52,958,004.00</b>	<b>51,465,632.00</b>

The Financial Statements set out on pages 1 to 7 were signed by:



Chairman of Council/Board

Date: 14th July, 2023



Finance Officer

ICPAK No: 31606

Date 14th July, 2023



Principal

Date: 14th July, 2023.

**16. Statement of Changes in Net Asset For The Year Ended 30 June 2023**

<b>Description</b>	<b>Revaluation reserve</b>	<b>Accumulated Fund</b>	<b>Capital Grants/Fund</b>	<b>Total</b>
<b>At July 1, 2022</b>	<b>0.00</b>	<b>(6,334,606.00)</b>	<b>52,402,266.00</b>	<b>46,067,660.00</b>
Revaluation gain	0.00	0.00	0.00	0.00
Surplus/(deficit) for the year	0.00	0.00	0.00	0.00
Capital grants received during the year	0.00	5,397,972.00	0.00	5,397,972.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	0.00	0.00	0.00	0.00
<b>At June 30, 2023</b>	<b>0.00</b>	<b>(936,634.00)</b>	<b>52,402,266.00</b>	<b>51,465,632.00</b>
<b>At July 1, 2022</b>	<b>0.00</b>	<b>(936,634.00)</b>	<b>52,402,266.00</b>	<b>51,465,632.00</b>
Revaluation gain	0.00	-	-	0.00
Surplus/(deficit) for the year	-	1,492,372.00	-	1,492,372.00
Capital grants received during the year	-	-	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0.00	(0.00)	-
<b>At June 30, 2023</b>	<b>0.00</b>	<b>555,738.00</b>	<b>52,402,266.00</b>	<b>52,958,004.00</b>

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

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other National Government entities		11,321,000.00	13,897,500.00
Grants from donors and development partners		0.00	0.00
Transfers from other levels of government		0.00	0.00
Rendering of services- fees from students		13,909,856.00	15,031,119.00
Sale of goods		0.00	0.00
Rental revenue from facilities and equipment		113,000.00	263,000.00
Finance income		0.00	0.00
Other income		10,105,900.00	10,583,275.00
<b>Total Receipts</b>		<b>35,449,756.00</b>	<b>39,774,894.00</b>
<b>Payments</b>			
Use of goods and services		21,344,393.00	22,998,364.00
Employee costs		9,255,340.00	7,263,596.00
Board /Council Expenses		316,000.00	389,250.00
Repairs and maintenance		750,245.00	1,533,980.00
Grants and subsidies		0.00	0.00
<b>Total Payments</b>		<b>31,665,978.00</b>	<b>32,185,190.00</b>
<b>Net Cash Flows from operating activities</b>	46	<b>4,639,111.00</b>	<b>-376,075.00</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(2,018,400.00)	(2,764,860.00)
Proceeds from sale of property, plant and equipment		0.00	0.00
<b>Net cash flows used in investing activities</b>		<b>(2,018,400.00)</b>	<b>(2,764,860.00)</b>
<b>Cash flows from financing activities</b>			
Proceeds From Borrowing		0.00	0.00
Repayment Of Borrowings		(0.00)	(0.00)
<b>Net cash flows used in financing activities</b>		<b>(0.00)</b>	<b>(0.00)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>(2,622,711.00)</b>	<b>(3,140,935.00)</b>
Cash and Cash equivalents at 1 JULY22	26	680,317.00	3,821,251.00
<b>Cash and Cash equivalents at 30 JUNE23</b>	26	<b>3,303,028.00</b>	<b>680,316.00</b>

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

Description	Original budget	Adjustments	Final	Actual on comparable basis	Performance difference	Utilization Difference
			budget			
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other National Government entities	24,000,000.00	0	24,000,000.00	11,321,000.00	-12,679,000.00	-53%
Grants from donors and development partners	0	0	0	0	0	0%
Transfers from other levels of government	0	0	0	0	0	0%
Public contributions and donations	0	0	0	0	0	0%
Rendering of services- fees from students	32,420,000.00	0	32,420,000.00	13,909,856.00	-18,510,144.00	-57%
Rental revenue from facilities and equipment	500,000.00	0	500,000.00	113,000.00	-387,000.00	-77%
Finance income	0	0	0	0	0	
Other Incomes	10,440,000.00	0	10,440,000.00	10,105,900.00	-334,100.00	-3%
<b>Total Income</b>	<b>67,360,000.00</b>	<b>0</b>	<b>67,360,000.00</b>	<b>35,449,756.00</b>	<b>-31,910,244.00</b>	
<b>Expenses</b>						
Use of goods and services	44,195,000.00	0	44,195,000.00	21,344,393.00	-22,850,607.00	-52%
Employee costs	11,520,000.00	0	11,520,000.00	9,255,340.00	-2,264,660.00	-20%
Board /Council Expenses	1,000,000.00	0	1,000,000.00	316,000.00	-684,000.00	-68%
Repairs and maintenance	1,645,000.00	0	1,645,000.00	750,245.00	-894,755.00	-54%
Assets Acquisition	9,000,000.00	0	9,000,000.00	2,016,400.00	-6,983,600.00	-78%
Contracted services	0	0	0	0	0	
Grants and subsidies	0	0	0	0		
<b>Total Expenditure</b>	<b>67,360,000.00</b>	<b>0</b>	<b>67,360,000.00</b>	<b>33,682,378.00</b>	<b>-33,677,622.00</b>	

**19. Notes to the Financial Statements**

**1. General Information**

Endebess Technical Training Institute entity is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to provide quality and relevant technical entrepreneurial and management training.

**2. Statement of Compliance and Basis of Preparation**

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

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41: Financial Instruments</b>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of 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>
<b>IPSAS 42: Social Benefits</b>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>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>
<b>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</b>	<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> <p>c) Amendments to IPSAS 30, to update the guidance for accounting</p>

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

<b>Standard</b>	<b>Effective date and impact:</b>
	<p>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.**

<b>Standard</b>	<b>Effective date and impact:</b>
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 cash-flows 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**

Endebess Technical Training Institute did not early-adopt any new or amended standards in year 2023.

**Endebess Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 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. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that 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.

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

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

**Summary of Significant Accounting Policies (Continued)**

**b) Budget information**

The original budget for FY 2022/2023 was approved by the Council or Board on *July 2022*. 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 to conclude the final budget. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 7 of these financial statements.

**c) Taxes**

***Current income tax***

The entity is exempt from paying taxes as per schedule.

***Sales tax/ Value Added Tax***

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

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

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

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

---

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

**Summary of Significant Accounting Policies (Continued)**

**d) Investment property**

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

**e) Property, plant and equipment**

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

**f) Leases**

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

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

**Summary of Significant Accounting Policies (Continued)**

**g) Intangible assets**

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

**h) Research and development costs**

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

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

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

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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

---

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

**Summary of Significant Accounting Policies (Continued)**

*Financial assets*

*Classification*

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

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

**Summary of Significant Accounting Policies (Continued)**

**Fair value through surplus or deficit**

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

**Trade and other receivables**

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

**Impairment**

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

***Financial liabilities***

***Classification***

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

**j) Inventories**

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

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

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

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

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

---

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

**Summary of Significant Accounting Policies (Continued)**

**Inventories (Continued)**

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

**k) Provisions**

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

***Contingent liabilities***

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

***Contingent assets***

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

**l) Social Benefits**

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

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

**Summary of Significant Accounting Policies (Continued)**

**m) Nature and purpose of reserves**

The *Endebess Technical Training Institute* creates and maintains reserves in terms of specific requirements.

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

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

**o) Employee benefits**

**Retirement benefit plans**

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

**p) Foreign currency transactions**

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

**q) Borrowing costs**

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

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

**r) Related parties**

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

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

---

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

**Summary of Significant Accounting Policies (Continued)**

**s) Service concession arrangements**

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

**t) Cash and cash equivalents**

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

**u) Comparative figures**

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

**v) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2023.

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

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

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

**Useful lives and residual values**

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

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

**Provisions**

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

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

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

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

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

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	11,321,000.00	13,897,500.00
Operational Grant	0.00	0.00
Unconditional Development grants	0.00	0.00
Other Grants	0.00	0.00
<b>Total unconditional Grants</b>	<b>11,321,000.00</b>	<b>13,897,500.00</b>
<b>Conditional Grants amortised/ recognised in revenue</b>		
Library Grant	0.00	0.00
Hostels Grant	0.00	0.00
Administration Block Grant	0.00	0.00
Laboratory Grant	0.00	0.00
Learning Facilities Grant	0.00	0.00
Other Organizational Grants	0.00	0.00
<b>Total Government Grants and Subsidies</b>	<b>11,321,000.00</b>	<b>13,897,500.00</b>

**(a) Transfers from other Government entities (Categorized)**

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of XX	0.00	0.00	0.00	0.00	0.00
XX Ministry	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Notes to the Financial Statements (Continued)

7. Grants from Donors and Development Partners

Description	2022-2023	2021-2022
	Kshs	Kshs
JICA- Research Grant	0.00	0.00
World Bank Grants	0.00	0.00
In-Kind Donations	0.00	0.00
Donations transferred to revenue-conditions met	0.00	0.00
Other Grants (specify)	0.00	0.00
<b>Total Grants from Development Partners</b>	<b>0.00</b>	<b>0.00</b>

(a) Reconciliations of grants from donors and development partners

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Balance unspent at beginning of year</b>	0.00	0.00
Current year receipts	0.00	0.00
Conditions Met - Transferred to Revenue	0.00	0.00
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>0.00</b>	<b>0.00</b>

8. Transfers from Other Levels of Government

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfer from County	0.00	0.00
Transfer from University	0.00	0.00
Transfer from Institute	0.00	0.00
<b>Total Transfers</b>	<b>0.00</b>	<b>0.00</b>

9. Public Contributions and Donations

Description	2022-2023	2021-2022
	Kshs	Kshs
Public Donations	0.00	0.00
Donations from Local Leadership	0.00	0.00
Donations from Religious Institutions	0.00	0.00
Donations from Alumni	0.00	0.00
Other Donations	0.00	0.00
<b>Total Donations and Contributions</b>	<b>0.00</b>	<b>0.00</b>

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

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

**10. Rendering of Services**

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Fees	13,909,856.00	15,031,119.00
Activity Fees	0.00	0.00
Industrial Attachment Fees	0.00	0.00
Examination Fees	0.00	0.00
Library Fees	0.00	0.00
Facilities And Materials	0.00	0.00
Registration Fees	0.00	0.00
Others ( <i>Specify</i> )	0.00	0.00
<b>Total Revenue from The Rendering of Services</b>	<b>13,909,856.00</b>	<b>15,031,119.00</b>

**11. Sale of Goods**

Description	2022-2023	2021-2022
	Kshs	Kshs
Sale of Tender	0.00	0.00
<b>Total Revenue from Sale of Goods</b>	<b>0.00</b>	<b>0.00</b>

**12. Rental revenue from facilities and equipment**

Description	2022-2023	2021-2022
	Kshs	Kshs
Hire of Facilities and Equipment	113,000.00	263,000.10
Contingent Rentals	0.00	0.00
Operating Lease Revenue	0.00	
<b>Total</b>	<b>113,000.00</b>	<b>263,000.00</b>

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

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

**13. Finance Income**

Description	2022-2023	2021-2022
	Kshs	Kshs
Cash investments and fixed deposits	0.00	0.00
Interest income from treasury bills	0.00	0.00
Interest income from treasury bonds	0.00	0.00
Interest from outstanding debtors	0.00	0.00
<b>Total finance income</b>	<b>0.00</b>	<b>0.00</b>

**14. Other Incomes**

Description	2022-2023	2021-2022
	Kshs	Kshs
Boarding and Lunch Fees	5,625,000.00	5,865,000.00
Dairy and Livestock Farming	499,020.00	409,500.00
Sale of Vegetables	491,400.00	375,375.00
Driving Class	0.00	0.00
Breakage Fee	3,000.00	0.00
Quality Assurance Fee	1,500.00	0.00
Student ID	56,900.00	66,200.00
Knec Registration	3,049,580.00	3,424,700.00
KUCCPS A application	379,500.00	442,500.00
<b>Total other income</b>	<b>10,105,900.00</b>	<b>10,583,275.00</b>

**Endebess Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**  
**Notes To the Financial Statements (Continued)**

**15. Use of Goods and Services**

Description	2022-2023	2021-2022
	Kshs	Kshs
Activity and Sports	593,610.00	1,315,015.00
Administration and operational costs	2,627,683.00	1,409,010.00
Boarding and Lunch	7,479,296.00	6,612,833.00
Tuition	6,094,512.00	7,591,853.00
Electricity H2O & Conservancy	606,047.00	610,377.00
IGA Expenses	658,660.00	195,545.00
Industrial Attachment & Medical	408,975.00	223,201.00
Local Transport & Travelling	727,000.00	397,200.00
Knec Registrations	2,084,210.00	4,643,330.00
Student ID	64,400.00	0
<b>Total good and services</b>	<b>21,344,393.00</b>	<b>22,998,364.00</b>

Notes To the Financial Statements (Continued)

16. Employee Costs

Description	2022-2023	2021-2022
	Kshs	Kshs
Salaries and wages	9,255,340.00	7,263,596.00
Employee related costs - contributions to pensions and medical aids	0.00	0.00
Travel, motor car, accommodation, subsistence and other allowances	0.00	0.00
Housing benefits and allowances	0.00	0.00
Overtime payments	0.00	0.00
Social contributions	0.00	0.00
<b>Employee Costs</b>	<b>9,255,340.00</b>	<b>7,263,596.00</b>

17. Board/Council Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Chairman's Honoraria	0.00	0.00
Directors Emoluments	0.00	0.00
Other Allowances	316,000.00	389,250.00
Other Board/Council Expenses	0.00	0.00
<b>Total</b>	<b>316,000.00</b>	<b>389,250.00</b>

18. Depreciation and Amortization expense

Description	2022-2023	2021-2022
	Kshs	Kshs
Property, plant and equipment	2,291,406.00	2,191,732.00
Intangible assets	0.00	0.00
Investment property carried at cost	0.00	0.00
<b>Total depreciation and amortization</b>	<b>2,291,406.00</b>	<b>2,191,732.00</b>

19. Repairs and Maintenance

Description	2022-2023	2021-2022
	Kshs	Kshs
Property	750,245.00	1,533,980.00
Investment property – earning rentals	0.00	0.00
Equipment and machinery	0.00	0.00
Vehicles	0.00	0.00
Furniture and fittings	0.00	0.00
Computers and accessories	0.00	0.00
<b>Total Repairs and Maintenance</b>	<b>750,245.00</b>	<b>1,533,980.00</b>

**Endebess Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2023**  
**Notes To the Financial Statements (Continued)**

**20. Contracted Services**

Description	2022-2023	2021-2022
	Kshs	Kshs
Actuarial valuations	0.00	0.00
Investment valuations	0.00	0.00
Property valuations	0.00	0.00
Other (specify)	0.00	0.00
<b>Total contracted services</b>	<b>0.00</b>	<b>0.00</b>

**21. Grants and Subsidies**

Description	2022-2023	2021-2022
	Kshs	Kshs
Community Development	0.00	0.00
Education Initiatives and Programs	0.00	0.00
Social Development	0.00	0.00
Social benefits expenses	0.00	0.00
Community Trust	0.00	0.00
Sporting Bodies	0.00	0.00
<b>Total Grants and Subsidies</b>	<b>0.00</b>	<b>0.00</b>

**22. Finance Costs**

Description	2022-2023	2021-2022
	Kshs	Kshs
Borrowings (Amortized Cost)*	0.00	0.00
Finance Leases (Amortized Cost)	0.00	0.00
Unwinding of Discount from lease liabilities	0.00	0.00
Interest on Bank Overdrafts	0.00	0.00
Interest on Loans from Commercial Banks	0.00	0.00
<b>Total Finance Costs</b>	<b>0.00</b>	<b>0.00</b>

Notes To the Financial Statements (Continued)

23. Gain On Sale of Assets

Description	2022-2023	2021-2022
	Kshs	Kshs
Property, Plant and Equipment	0.00	0.00
Intangible Assets	0.00	0.00
Other Assets not capitalised	0.00	0.00
<b>Total Gain On Sale of Assets</b>	<b>0.00</b>	<b>0.00</b>

24. Gain/(loss) on Fair Value Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Fair value on equity investments	0.00	0.00
Fair value arising from investment property	0.00	0.00
Fair value arising from biological assets	0.00	0.00
Fair value- other financial assets (specify)	0.00	0.00
<b>Total Gain</b>	<b>0.00</b>	<b>0.00</b>

25. Impairment Loss

Description	2022-2023	2021-2022
	Kshs	Kshs
Property, Plant and Equipment	0.00	0.00
Intangible Assets	0.00	0.00
<b>Total Impairment Loss</b>	<b>0.00</b>	<b>0.00</b>

26. Cash and Cash Equivalentents

Description	2022-2023	2021-2022
	Kshs	Kshs
Current Account	3,301,028.00	680,317.00
On - Call Deposits	0.00	0.00
Fixed Deposits Account	0.00	0.00
Staff Car Loan/ Mortgage	0.00	0.00
Others (Specify)	0.00	0.00
<b>Total Cash and Cash Equivalentents</b>	<b>3,301,028.00</b>	<b>680,317.00</b>

Endebess Technical Training Institute  
 Annual Report and Financial Statements for the year ended 30th June 2023  
 Notes To The Financial Statements (Continued)

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

Financial Institution	Account number	2022-2023	2021-2022
		Kshs	Kshs
<b>a) Current Account</b>			
Barclays/Absa Bank	2038469005	46,086.00	366,577.00
Kenya Commercial bank	1217161309	3,172,818.00	45,457.00
Equity Bank, etc	0330274356128	81,825.00	268,044.00
<b>Sub- Total</b>		<b>3,300,730.00</b>	<b>680,078.00</b>
<b>b) On - Call Deposits</b>			
Kenya Commercial Bank		0.00	0.00
Equity Bank – etc.		0.00	0.00
<b>Sub- Total</b>		<b>0.00</b>	<b>0.00</b>
<b>c) Fixed Deposits Account</b>			
Kenya Commercial Bank		0.00	0.00
Bank B		0.00	0.00
<b>Sub- Total</b>		<b>0.00</b>	<b>0.00</b>
<b>d) Staff Car Loan/ Mortgage</b>			
Kenya Commercial Bank		0.00	0.00
Bank B		0.00	0.00
<b>Sub- Total</b>		<b>0.00</b>	<b>0.00</b>
<b>e) Others(Specify)</b>			
Cash in Transit		0.00	0.00
Cash in Hand		187.00	115.00
Mobile Money account		111.00	124.00
<b>Sub- Total</b>		<b>298.00</b>	<b>0.00</b>
<b>Grand Total</b>		<b>3,301,028.00</b>	<b>680,317.00</b>

Notes to the Financial Statements (Continued)

27. Receivables from Exchange transactions

27 (a) Current Receivables from Exchange transactions

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debtors	21,171,006.00	12,607,726.00
Rent Debtors	0.00	0.00
Consultancy Debtors	0.00	0.00
Other Exchange Debtors	0.00	0.00
Less: Impairment Allowance	0.00	0.00
<b>Total Current Receivables</b>	<b>21,171,006.00</b>	<b>12,607,726.00</b>

27 (b) Long- term Receivables from Exchange transactions

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Non-Current Receivables</b>		
Refundable Deposits	0.00	0.00
Advance Payments	0.00	0.00
Public Organizations	0.00	0.00
Less: Impairment Allowance	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
Current Portion Transferred To Current Receivables	0.00	0.00
<b>Total Non-Current Receivables</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Receivables</b>	<b>0.00</b>	<b>0.00</b>

27 (c) Ageing Analysis of Receivables from Exchange transactions

Description	2022-2023		2021-2022	
	Kshs	% of total	Kshs	% of total
	<b>Current FY</b>	<b>% of total</b>	<b>Comparative FY</b>	<b>% of total</b>
Less than 1 year	8,661,940	41%	832,484	7%
Between 1- 2 years	6,355,742	30%	5,621,918	45%
Between 2-3 years	3,875,605	18%	3,875,605	31%
Over 3 years	2,277,719	11%	2,277,719	18%
<b>Total</b>	<b>21,171,006.00</b>		<b>12,607,726.00</b>	

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

**27 (d) Reconciliation for impairment Allowance on Receivables from Exchange Transactions**

Description	2022-2023	2021-2022
	Kshs	Kshs
At the beginning of the year	0.00	0.00
Provisions during the year	0.00	0.00
Recovered during the year	0.00	0.00
Write offs during the year	0.00	0.00
At the end of the year	0.00	0.00

**28. Receivables from Non-Exchange transactions**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Current Receivables</b>		
Capitation Grants*	0.00	0.00
Transfers from Other Govt. entities	0.00	0.00
Undisbursed Donor Funds	0.00	0.00
Other Debtors (Non-Exchange Transactions)	0.00	0.00
Less: Impairment Allowance	0.00	0.00
<b>Total Current Receivables</b>	0.00	0.00

**28 (a) Ageing Analysis on Receivables from Non-Exchange Transactions**

Description	2022-2023		2021-2022	
	Kshs	% of the total	Kshs	% of the total
	<b>Current FY</b>	<b>% of the total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Less than 1 year	0.00	%	0.00	%
Between 1- 2 years	0.00	%	0.00	%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
<b>Total</b>	0.00	%	0.00	%

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

**28 (b) Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions**

Description	2022-2023	2021-2022
	Kshs	Kshs
At the beginning of the year	0.00	0.00
Additional provisions during the year	0.00	0.00
Recovered during the year	0.00	0.00
Written off during the year	0.00	0.00
At the end of the year	0.00	0.00

**29. Inventories**

Description	2022-2023	2021-2022
	Kshs	Kshs
Consumable stores	0.00	0.00
Maintenance stores	0.00	0.00
Health Unit stores	0.00	0.00
Electrical stores	0.00	0.00
Cleaning Materials stores	0.00	0.00
Catering stores	0.00	0.00
Less: Impairment allowance	0.00	0.00
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>0.00</b>	<b>0.00</b>

Endebess Technical Training Institute  
 Annual Report and Financial Statements for the year ended 30th June 2023  
 Notes to the Financial Statements (Continued)

30. Investments in financial assets

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>a) Investment in Treasury Bills and Bonds</b>		
<b>Financial Institution</b>		
CBK	0.00	0.00
CBK	0.00	0.00
<b>Sub- Total</b>	0.00	0.00
<b>b) Investment with Financial Institutions/ Banks</b>		
Bank X	0.00	0.00
Bank Y	0.00	0.00
<b>Sub- Total</b>	0.00	0.00
<b>c) Equity Investments</b>		
Equity/ Shares in Company	0.00	0.00
<b>Sub- Total</b>	0.00	0.00
<b>Grand Total</b>	0.00	0.00

d) Shareholding in other entities

For investments in equity share listed under note 30 (c) above, list down the equity investments under the following categories:

Name of Entity where Investment is Held	No of Shares				Fair Value of Shares	Fair Value of Shares
	Direct Shareholding	Indirect Shareholding	Effective Shareholding	Nominal Value of Shares	Insert Current FY	Insert Comparative FY
					%	%
Entity A	0.00	0.00	0.00	0.00	0.00	0.00
Entity B	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00

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

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

**31. Property, Plant and Equipment**

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Intangible Assets	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>At 30<sup>th</sup> June 2022</b>	<b>0</b>	<b>47,367,498.33</b>	<b>-</b>	<b>957,387.78</b>	<b>515,120.64</b>	<b>1,246,723.20</b>	<b>1,635,720.00</b>	<b>51,722,449.95</b>
Additions	0	0	0	0	115,000.00	1,841,400.00	0	1,956,400.00
Disposals	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0
<b>At 30<sup>th</sup> June 2023</b>	<b>0</b>	<b>47,367,498.33</b>		<b>957,387.78</b>	<b>630,120.64</b>	<b>3,088,123.20</b>	<b>1,635,720.00</b>	<b>53,678,849.95</b>
<b>Depreciation And Impairment</b>		<b>2%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>25%</b>	
<b>At 1 Jun 2021</b>	-	0	0	0	0	0	0	0
Depreciation	-	0	0	0	0	0	0	0
Disposals	-	0	0	0	0	0	0	0
Impairment	-	0	0	0	0	0	0	0
<b>At 30 Jun 2022</b>		0	0	0	0	0	0	0
Depreciation	-	947,349.97	-	191,477.56	126,024.13	617,624.64	408,930.00	2,291,406.29
Disposals	-	0	0	0	0	0	0	0
Impairment	-	0	0	0	0	0	0	0
Transfer/Adjustment	-	0	0	0	0	0	0	0
<b>At 30<sup>th</sup> Jun 2023</b>	-	947,349.97	-	191,477.56	126,024.13	617,624.64	408,930.00	2,291,406.29
<b>Net Book Values</b>								
<b>At 30<sup>th</sup> Jun 2022</b>	<b>0</b>	<b>47,367,498.33</b>	<b>-</b>	<b>957,387.78</b>	<b>515,120.64</b>	<b>1,246,723.20</b>	<b>1,635,720.00</b>	<b>51,722,449.95</b>
<b>At 30<sup>th</sup> Jun 2023</b>	<b>0</b>	<b>46,420,148.36</b>	<b>-</b>	<b>765,910.22</b>	<b>504,096.51</b>	<b>2,470,498.56</b>	<b>1,226,790.00</b>	<b>51,387,443.66</b>

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

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

**Valuation**

As per National Treasury guidelines, Land and buildings were identified but not valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020).

**31 (b) Property, Plant and Equipment at Cost**

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	0	0	0
Buildings	47,367,498.33	947,349.97	46,420,148.36
Plant And Machinery	3,088,123.20	617,624.64	2,470,498.56
Motor Vehicles including Motorcycles	0	0	0
Computers and Related Equipment	630,120.64	126,024.13	504,096.51
Office Equipment, Furniture, And Fittings	957,387.78	191,477.56	765,910.22
<b>Total</b>	<b>52,043,129.95</b>	<b>1,882,476.30</b>	<b>50,160,653.65</b>

**32. Intangible Assets**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Cost</b>		
<b>At beginning of the year</b>	1,635,720	0.00
Additions	0.00	2,0180,960.00
<b>At end of the year</b>	<b>1,635,720</b>	<b>2,0180,960.00</b>
Additions–internal development	0.00	0.00
<b>At end of the year</b>	0.00	0.00
<b>Amortization and impairment</b>	408,930	545,240.00
<b>At beginning of the year</b>	0.00	0.00
Amortization	0.00	0.00
<b>At end of the year</b>	0.00	0.00
Impairment loss	0.00	0.00
<b>At end of the year</b>	1,226,790	1,635,720
<b>NBV</b>	<b>1,226,790</b>	<b>1,635,720</b>

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

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

**33. Investment Property**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>At beginning of the year</b>	0.00	0.00
Additions	0.00	0.00
Disposal during the year	0.00	0.00
Depreciation	0.00	0.00
Impairment	0.00	0.00
Gain or loss on fair value- if fair value is elected	0.00	0.00
<b>At end of the year</b>	0.00	0.00

**34. Biological Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Cattle	355,000.00	293,000.00
Trees	0.00	0.00
Others (Specify)	0.00	0.00
<b>Total</b>	<b>355,000.00</b>	<b>293,000.00</b>

**35. Trade and Other Payables**

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Trade payables	23,256,474.00		13,837,861.00	
Fees paid in advance	0.00		0.00	
Salary deductions	0.00		0.00	
Third-Party Payments	0.00		0.00	
Other Payables	0.00		0.00	
<b>Total Trade and Other Payables</b>	<b>23,256,474.00</b>		<b>13,837,861.00</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	6,894,033.97	30%	1,894,420.00	14%
1-2 years	5,402,142.11	23%	3,247,526.20	23%
2-3 years	5,542,756.80	24%	4,542,756.80	33%
Over 3 years	5,417,541.12	23%	4,153,158.00	30%
<b>Total (to tie to totals above)</b>	<b>23,256,474.00</b>		<b>13,837,861.00</b>	

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

**36. Refundable Deposits from Customers/Students**

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Consumer deposits	0.00		0.00	
Caution money	0.00		0.00	
Other refundable deposits	0.00		0.00	
<b>Total Deposits</b>	0.00		0.00	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	0.00	%	0.00	%
1-2 years	0.00	%	0.00	%
2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
<b>Total (to tie to totals deposits above)</b>	0.00	%	0.00	%

**37. Current Provisions**

Description	Leave provision	Bonus provision	Gratuity Provisions	Other provision	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Balance at The Beginning of The Year</b>	0.00	0.00	0.00	0.00	0.00
Additional Provisions	0.00	0.00	0.00	0.00	0.00
Provision Utilised	0.00	0.00	0.00	0.00	0.00
Change Due To Discount And Time Value For Money	0.00	0.00	0.00	0.00	0.00
Transfers From Non -Current Provisions	0.00	0.00	0.00	0.00	0.00
<b>Total Provisions</b>	0.00	0.00	0.00	0.00	0.00

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

**38. Finance Lease Obligation**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>At the start of the year</b>	0.00	0.00
Discount interest on Lease Liability	0.00	0.00
Paid during the year	0.00	0.00
<b>At end of the year</b>	0.00	0.00

**Maturity Analysis**

Period	Amount
	Kshs
Year 1	0.00
Year 2	0.00
Year 3	0.00
Year 4	0.00
Year 5 and Onwards	0.00
Less: Unearned Interest	0.00
<b>Total</b>	0.00

**Analysed as:**

Description	Amount
	Kshs
Current	0.00
Non- Current	0.00
<b>Total</b>	0.00

**39. Deferred Income**

Description	2022-2023	2021-2022
	Kshs	Kshs
National Government	0.00	0.00
International Funding Bodies	0.00	0.00
Public Contributions and Donations	0.00	0.00
<b>Total Deferred Income</b>	0.00	0.00

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

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

The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	0.00	0.00	0.00	0.00
Additions during the year	0.00	0.00	0.00	0.00
Transfers to capital fund	0.00	0.00	0.00	0.00
Transfers to income statement	0.00	0.00	0.00	0.00
Other transfers	0.00	0.00	0.00	0.00
Balance carried forward	0.00	0.00	0.00	0.00

Analysed as:

Description	Amount
	Kshs
Current	0.00
Non- Current	0.00
<b>Total</b>	<b>0.00</b>

**40. Employee Benefit Obligations**

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Insert Current FY	Insert Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0.00	0.00	0.00	0.00	0.00
Non-Current Benefit Obligation	0.00	0.00	0.00	0.00	0.00
<b>Total Employee Benefits Obligation</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Retirement benefit Asset/ Liability**

The entity operates a defined benefit scheme for all full-time employees from July 1, 2023. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

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

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39. The principal assumptions used for the purposes of valuation are as follows:

Description	2022-2023	2021-2022
	Kshs	Kshs
Discount Rates	0.00	0.00
Future Salary Increases	0.00	0.00
Future Pension Increases	0.00	0.00
Mortality (Pre- Retirement)	0.00	0.00
Mortality (Post- Retirement)	0.00	0.00
Withdrawals	0.00	0.00
Ill Health	0.00	0.00
Retirement	0.00	0.00

**Recognition of Retirement Benefit Asset/ Liability**

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

Description	2022-2023	2021-2022
	Kshs	Kshs
The return on defined plan assets	0.00	0.00
Actuarial gains/ losses arising from changes in demographic assumptions	0.00	0.00
Actuarial Gains/ Losses Arising From changes In Financial Assumptions	0.00	0.00
Actuarial gains and losses arising from experience adjustments	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
Adjustments for restrictions on the defined benefit asset	0.00	0.00
<b>Re-measurement of the net defined benefit liability (asset)</b>	0.00	0.00

- b) Amounts recognised in the Statement of Financial Position

Description	2022-2023	2021-2022
	Kshs	Kshs
Present value of defined benefit obligations(a)	0.00	0.00
Fair value of plan assets(b)	0.00	0.00
Funded status(=a-b)	0.00	0.00
Restrictions on asset recognised	0.00	0.00
Others	0.00	0.00
Net asset or liability arising from defined benefit obligation	0.00	0.00

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

The entity also contributes to the statutory National Social Security Fund (NSSF).. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**41. Payments received in advance.**

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Fees received in advance	0.00		0.00	
Others (Specify)	0.00		0.00	
Total	0.00		0.00	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	0.00	%	0.00	%
1-2 years	0.00	%	0.00	%
2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
<b>Total</b>	<b>0.00</b>	<b>%</b>	<b>0.00</b>	<b>%</b>

**42. Non-Current Provisions**

Description	Long service leave	Bonus Provision	Gratuity	Other Provisions	Total
	Kshs	Kshs	Kshs	Kshs	Kshs
Balance at the beginning of the year	0.00	0.00	0.00	0.00	0.00
Additional Provisions	0.00	0.00	0.00	0.00	0.00
Provision utilised	0.00	0.00	0.00	0.00	0.00
Change due to discount and time value for money	0.00	0.00	0.00	0.00	0.00
Less: Current portion	0.00	0.00	0.00	0.00	0.00
<b>Total deferred income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

**43. Borrowings**

Description	2022-2023	2021-2022
	Kshs	Kshs
Balance at beginning of the year	0.00	0.00
External borrowings during the year	0.00	0.00
Domestic borrowings during the year	0.00	0.00
Repayments of external borrowings during the year	0.00	0.00
Repayments of domestic borrowings during the year	0.00	0.00
Balance at end of the year	0.00	0.00

**43 a) Analysis of External and Domestic Borrowings**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>External borrowings</b>		
Dollar denominated loan from 'xx organization'	0.00	0.00
Sterling pound denominated loan from 'yyy organization'	0.00	0.00
Euro denominated loan from zzz organization'	0.00	0.00
<b>Domestic borrowings</b>	0.00	0.00
Kenya shilling loan	0.00	0.00
<b>Total balance at end of the year</b>	0.00	0.00

**43 b) Breakdown of Long and Short-Term Borrowings**

Description	2022-2023	2021-2022
	Kshs	Kshs
Short Term Borrowings(Current Portion)	0.00	0.00
Long Term Borrowings	0.00	0.00
<b>Total</b>	0.00	0.00

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

---

**44. Service Concession Arrangements**

Description	2022-2023	2021-2022
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	0.00	0.00
Accumulated depreciation to date	0.00	0.00
Net carrying amount	0.00	0.00
Service concession liability at beginning of the year	0.00	0.00
Service concession revenue recognized	0.00	0.00
Service concession liability at end of the year	0.00	0.00

**45. Social Benefit Liabilities**

Description	2022-2023	2021-2022
	Kshs	Kshs
Health social benefit scheme	0.00	0.00
Unemployment social benefit scheme	0.00	0.00
Orphaned and vulnerable benefit scheme	0.00	0.00
People Living with disabilities benefit scheme	0.00	0.00
Elderly social benefit scheme	0.00	0.00
Bursary social benefits	0.00	0.00
<b>Total</b>	0.00	0.00
	0.00	0.00
Current social benefits	0.00	0.00
Non- current social benefits	0.00	0.00
<b>Total (tie to totals above)</b>	0.00	0.00

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

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

**46. Cash generated from operations.**

Surplus for the year before tax	2022-2023	2021-2022
	Kshs	Kshs
<b>Adjusted for:</b>		
Depreciation/Net surplus/(deficit)	3,783,778.00	7,589,704.00
Non-Cash grants received	(0.00)	(0.00)
Contributed assets	(0.00)	(0.00)
Impairment	0.00	0.00
Gains and Losses on Disposal of Assets	(0.00)	(0.00)
Contribution to provisions	0.00	0.00
Contribution to impairment allowance	0.00	0.00
Finance Income	(0.00)	(0.00)
Finance Cost	0.00	0.00
<b>Working Capital Adjustments</b>		
Increase in Inventory	0.00	(0.00)
Increase in Receivables	(8,563,280.00)	(6,331,874.00)
Increase in Deferred Income	0.00	0.00
Increase in Payables	9,418,613.00	(1,633,905)
Increase in Payments received in advance	0.00	0.00
<b>Net Cash Flow from Operating Activities</b>	<b>4,639,111.00</b>	<b>-376,075.00</b>

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

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

**47. Financial Risk Management**

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

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

**(i) Credit risk**

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2022</b>				
Receivables from exchange transactions	12,607,726.00	12,607,726.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	680,317.00	680,317.00	0.00	0.00
<b>Total</b>	<b>13,288,043.00</b>	<b>13,288,043.00</b>	0.00	0.00
<b>At 30 June 2023</b>	0.00	0.00	0.00	0.00
Receivables from exchange transactions	21,171,006.00	21,171,006.00	0.00	0.00
Receivables from non-exchange transactions	0.00	0.00	0.00	0.00
Bank balances	3,301,028.00	3,301,028.00	0.00	0.00
<b>Total</b>	<b>24,472,034.00</b>	<b>24,472,034.00</b>	0.00	0.00

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

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

**Notes to the Financial Statements (Continued)**  
**Financial risk management (continued)**

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

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

**(ii) Liquidity risk management**

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2022</b>				
Trade Payables	3,020,506.00	2,625,214.00	8,192,141.00	13,837,861.00
Current Portion Of Borrowings	0.00	0.00	0.00	0.00
Provisions	0.00	0.00	0.00	0.00
Deferred Income	0.00	0.00	0.00	0.00
Employee Benefit Obligation	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3,020,506.00</b>	<b>2,625,214.00</b>	<b>8,192,141.00</b>	<b>13,837,861.00</b>
<b>At 30 June 2023</b>	8,192,141.00	5,645,720.00	9,418,613.00	23,256,474.00
Trade Payables	0.00	0.00	0.00	0.00
Current Portion Of Borrowings	0.00	0.00	0.00	0.00
Provisions	0.00	0.00	0.00	0.00
Deferred Income	0.00	0.00	0.00	0.00
Employee Benefit Obligation	0.00	0.00	0.00	0.00
<b>Total</b>	<b>8,192,141.00</b>	<b>5,645,720.00</b>	<b>9,418,613.00</b>	<b>23,256,474.00</b>

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

**Notes to the Financial Statements (Continued)**  
**Financial risk management (continued)**

**(iii) Market risk**

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

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

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

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

**a) Foreign currency risk**

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June 20XX</b>			
Financial Assets (Investments, Cash, Debtors)	0.00	0.00	0.00
Liabilities	0.00	0.00	0.00
Trade and Other Payables	0.00	0.00	0.00
Borrowings	0.00	0.00	0.00
	0.00	0.00	0.00
Net Foreign Currency Asset/(Liability)	0.00	0.00	0.00

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

**Notes to the Financial Statements (Continued)**  
**Financial risk management (continued)**

**Foreign currency sensitivity analysis**

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

	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
<b>2022</b>			
Euro	10%	0.00	0.00
Usd	10%	0.00	0.00
<b>2023</b>			
Euro	10%	0.00	0.00
Usd	10%	0.00	0.00

**b) Interest rate risk**

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

***Management of interest rate risk***

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

***Sensitivity analysis***

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

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

**Notes to the Financial Statements (Continued)**  
**Financial risk management (continued)**

**iv) Capital Risk Management**

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	555,738.00	(936,634.00)
Capital Reserve	0.00	0.00
<b>Total Funds</b>	<b>555,738.00</b>	<b>(936,634.00).00</b>
Total Borrowings	0.00	0.00
Less: Cash and Bank Balances	(3,301,028.00)	(680,316.95)
Net Debt/(Excess Cash and Cash Equivalents)	(3,301,028.00)	(680,316.95)
<b>Gearing</b>	<b>-594%</b>	<b>73%</b>

**48. 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 *Endebess Technical Training Institute*, 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;

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

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

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

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Transactions with Related Parties</b>		
<b>a) Sales to related parties</b>		
Sales of electricity to govt agencies	0.00	0.00
Rent income from govt. agencies	0.00	0.00
Water sales to govt. agencies	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>B) Purchases from related parties</b>		
Purchases of electricity from kplc	0.00	0.00
Purchase of water from govt service providers	0.00	0.00
Rent expenses paid to govt agencies	0.00	0.00
Training and conference fees paid to govt. agencies	0.00	0.00
Others ( <i>specify</i> )	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	0.00	0.00
<b>b) Grants /Transfers from the Government</b>		
Grants from National Govt	11,321,000.00	13,897,500.00
Grants from County Government	0.00	0.00
Donations in Kind	0.00	0.00
<b>Total</b>	<b>11,321,000.00</b>	<b>13,897,500</b>
<b>c) Expenses incurred on behalf of related parties</b>	<b>0.00</b>	<b>0.00</b>
Payments of Salaries and Wages for 61 Employees	9,255,340.00	7,263,596.00
Payments for Goods and Services for 2023	21,344,393.00	22,998,364.00
<b>Total</b>	<b>30,599,733.00</b>	<b>30,261,960.00</b>
<b>d) Key Management Compensation</b>		
Directors' emoluments	0.00	0.00
Compensation to Key Management	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**49. Segment Information**

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

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

**50. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Contingent Assets</b>		
Insurance Reimbursements	0.00	0.00
Assets arising from determination of Court Cases	0.00	0.00
Reimbursable Indemnities and Guarantees	0.00	0.00
Others ( <i>Specify</i> )	0.00	0.00
<b>Total</b>	0.00	0.00

**Contingent Liabilities**

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Contingent Liabilities</b>	0.00	0.00
Court Case Xxx against ( <i>The Entity</i> )	0.00	0.00
Bank guarantees in favour of subsidiary	0.00	0.00
Contingent liabilities arising from Contracts including PPPs	0.00	0.00
Others ( <i>Specify</i> )	0.00	0.00
<b>Total</b>	0.00	0.00

(Give details)

**51. Capital Commitments**

Capital Commitments	2022-2023	2021-2022
	Kshs	Kshs
Authorised for	0.00	0.00
Authorised and Contracted for	0.00	0.00
<b>Total</b>	0.00	0.00

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

**52. Events After The Reporting Period**

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

**53. 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.

**54. Currency**

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

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

---

**20. Appendices**

**Appendix 1: Implementation Status of Auditor-General Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

.....DANIEL KAKUHA.....

Name  
Accounting Officer  
(Principal)  
Date



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

**Appendix II: Projects Implemented by Endebess Technical Training Institute**

**Projects**

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

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

**Status of Projects completion**

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

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

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

*Endebess Technical Training Institute  
190 Endebess-Kenya*

The *Endebess Technical Training Institute* 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.

<b>Confirmation of amounts received by Endebess Technical Training Institute as at 30<sup>th</sup> June 2023</b>							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2023				Amount Received by Endebess Technical Training Institute (Kshs) as at 30 <sup>th</sup> June 2023 (E)	Differences (Kshs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	24/10/2022	3,265,000.00			3,265,000.00	3,265,000.00	0.00
	26/01/2023	4,028,000.00			4,028,000.00	4,028,000.00	0.00
	29/06/2023	4,028,000.00			4,028,000.00	4,028,000.00	0.00
<b>Total</b>						<b>11,321,000.00</b>	<b>0.00</b>

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

**Head of Accountants department of beneficiary Entity:**

Name Nelina Wapere Sign [Signature] Date 24/11/2023

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

---

**Appendix IV: Reporting of Climate Relevant Expenditures**

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

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

---

**Appendix V: Reporting on Disaster Management Expenditure**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments