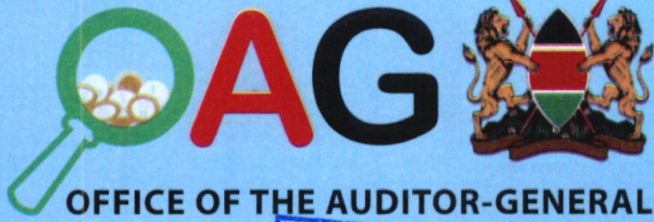


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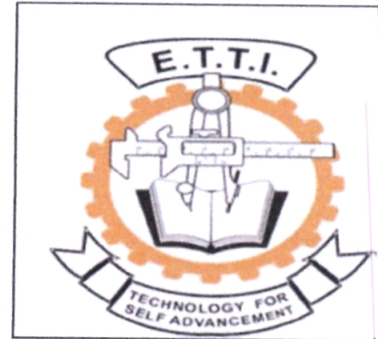
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 JUL 2025	DAY. WEDNESDAY
TABLED BY:	HON. (DR) ROBERT RUKOSE
CLERK-AT THE-TABLE:	HALIMA SULEIMAH

THE AUDITOR-GENERAL

ON

**EMINING TECHNICAL TRAINING
INSTITUTE**

**FOR THE YEAR ENDED
30 JUNE, 2024**



EMINING TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2024**

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

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
ETTI	Emining Technical Training Institute

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Emining Technical Training Institute's financial resources.

Comparative Year- Means the prior period.

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2. Key Emining Technical Training Institute Information and Management

(a) Background information

Emining Technical Training Institute was incorporated/ established under the TVET Act on **17th February, 2015** with Registration Certificate Number **TVETA/PUBLIC/TVC/0002/2015**. The entity is domiciled in Kenya and has no branches. The institute is under the Ministry of Education.

It has the following departments

- i) Mechanical Engineering Department
- ii) Information Technology Department
- iii) Business Department
- iv) Agriculture Department
- v) Hospitality and Institutional Management Department
- vi) Building and Civil Engineering Department
- vii) Electrical Engineering Department

(b) Principal Activities

The principal activity of Emining Technical Training Institute is to offer quality Education to the trainees.

(i) Vision:

- To be a centre of excellence in Science, Technology and Innovation.

(ii) Mission:

-To produce skilled human capital suitable for the dynamic global economy.

(c) Key Management

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

- Board of Governors
- Accounting officer/ Principal
- Management
- Head of Departments

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(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Jacob Kotut
2.	Deputy principal Administration	Rhoda Chemoiwa
3	Deputy principal Academics	Daniel Mibei
4	Registrar	Robert Korir
5	Dean of students	Agnes Chebii
6	Head of Finance	Jecinta Chelelgo
7	Head of Procurement	Alfred Kosgei

(e) Fiduciary Oversight Arrangements

- Overseeing the financial reporting and disclosure process.
 - Monitoring choice of accounting policies and principles.
 - Overseeing hiring, performance and independence of the external auditors.
 - Oversight of regulatory compliance, ethics, and whistle blower hotlines.
 - Monitoring the internal control process.
 - Overseeing the performance of the internal audit function.
 - Discussing risk management policies and practices with management.
- Development partner oversight activities
 For the current financial year we did not have any development partner

BOG OVERSIGHT ORGAN

SN .	Name of Sub-Committee	Members
1.	Finance and Infrastructure	1.Dr. David Sergon- Chair 2.Eng. Hosea Wendot 3.Mercy Kahuko
2.	Audit and Risk Committee	1.Dr. Philip Chumo-Chair 2.Kipsang Keter 3.Judith Nekesa
3	Academic and Human Resource Committee	1.Farah Ahmedweli-Chair 2.Kipsang Keter 3.Dr. David Sergon

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Key Emining Technical Training Institute Information and Management (Continued)

(f) Emining Technical Training Institute Headquarters

P.O. Box 208-20105 Mogotio
Mogotio Building/House/Plaza
Mogotio Road
Mogotio, KENYA

(g) Emining Technical Training Institute Contacts

Telephone: (254) 96 098 672
E-mail: eminingtti@gmail.com
Website: eminingtti.go.ke

(h) Emining Technical Training Institute Bankers

1. Kenya Commercial Bank
Operation Account
A/c no: 1148626859
Nakuru Kenyatta Avenue
P.O Box 18
Nakuru - 20100
2. Kenya Commercial Bank
Development Account
A/c no: 1166509710
Flamingo Nakuru
P.O Box 17755
Nakuru – 20100
3. Kenya Commercial Bank
A/c no: 1281250708
Mogotio Branch
P.O Box
Mogotio -20105
4. Skyline Sacco
A/c no: 5651-005-01721
Emining Branch
P.O Box 660
Eldama Ravine -20103

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Key Emining Technical Training Institute Information and Management (Continued)

(i) Independent Auditors





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

(j) Principal Legal Adviser

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

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

3.The Board of Governors

<i>SN.</i>	<i>MEMBER</i>	<i>DETAILS</i>
1.	 PROF. EZEKIEL KIPROP-BOARD CHAIR Date of Birth 08/ 04/ 1965	<ul style="list-style-type: none"> - Education Background - PhD in Crop protection (Plant Pathology) - Master of science (M.Sc) in plant pathology - Bachelor of science (B,Sc) in Agriculture
2.	 DR. DAVID SERGON – BOARD MEMBER Date of Birth 01/01/1974	<ul style="list-style-type: none"> - PhD in Entrepreneurship studies - Masters in Entrepreneurship and Management - B.Ed. (Accounting ,Commerce and Mathematics) - He is the Chairman for Finance and Infrastructure Committee and a member of Academic and Human Resource Committee
3.	 KIPSANG KETER- BOARD MEMBER Date of Birth -26/09/1955	<ul style="list-style-type: none"> - Bachelor of Science (Honors) in Materials Technology (Leather) British School of Leather Technology University of Northampton – UK - Coordinating Leather Development activities in the Ministry - Implementation of Vision 2030 through revitalization of the leather industry in the country. - He is a member of Academic and Human Resource Committee and Audit and Risk committee
4.	 DR. JUDITH NEKESA MANGENI –BOARD	<ul style="list-style-type: none"> - PhD in Public Health (Epidemiology and biostatistics tract) - Master of Public ,MPH (Epidemiology and biostatistics tract) - International Public Health Research

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	MEMBER Date of Birth – 17/06/1977	<ul style="list-style-type: none"> - Bachelor of Science in Nursing (Bsc. N) - She is a member of Audit and Risk committee
5.	 AHMEDWELI FARAH ADEN- BOARD MEMBER Date of Birth -06/04/1988	<ul style="list-style-type: none"> - Bachelor of Business Administration - He is the chair for Academic and Human resource Committee
6.	 MERCY KAHUKO- BOARD MEMBER Date of Birth- 28/05/1977	<ul style="list-style-type: none"> - Education Background - -Master's in Business Administration. (Strategic Management) - Part-time Lecturer in Daystar Leadership & Professional Development Institute (DLPDI) and School of Business & Economics. - She is a member of Finance and Infrastructure Committee
7.	 PHILIP CHUMO – BOARD MEMBER Date of Birth – 25/01/1972	<ul style="list-style-type: none"> - Education Background - PHD in Business Economics(Business informatics) - Master's in Business Administration – management information Systems - Bachelor of Science (Statistics and Computer) - He is Chair for Audit and Risk Committee
8.	 HOSEA WENDOT- BOARD MEMBER Date of Birth - 23/08/1971	<ul style="list-style-type: none"> - Education Background - Master of Science in Hydraulic Engineering. - BSC in Civil Engineering - Member of Institution of Engineers of Kenya - He is a member of Finance and Infrastructure Committee
9.	 JACOB KOTUT- BOARD SECRETARY Date of Birth 21/11/1972	<ul style="list-style-type: none"> - Master's in Public Health (Nutrition). - Bachelor of Education Home science and Technology - He is the secretary to the board

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

4. Key Management Team

<i>SN.</i>	<i>Member</i>	<i>Details</i>
1.	 JACOB KOTUT –PRINCIPAL Date of Birth – 21/11/1972 Bachelor of Education Home science and Technology Master’s in Public Health (Nutrition)	<ul style="list-style-type: none"> - Teaching and administering teaching functions. - General Administration. - Human Resource Management. - Financial Management and Control. - Any other relevant Duties as may be assigned by the employer
2.	 RHODA CHEMOIWA -DEPUTY PRINCIPAL- ADMINISTRATION Date of Birth - 28/11/1968 Master of Arts Sociology –Community Development	<ul style="list-style-type: none"> - Supervision and Maintenance of proper inventories of Equipment and supplies in the Institution -Deputize principal on administrative issues -Play a role of public and human resource offices -Assist in planning, coordination and organising of tuition facilities
3.	 DANIEL MIBEI –DEPUTY PRINCIPAL ACADEMICS Date Of Birth 21/11/1983 -Bachelor’s in Education Technology	<ul style="list-style-type: none"> - Taking charge of curriculum implementation, supervision and evaluation - Implementation of performance contracting targets - Deputize principal on academic and quality assurance - Chairman of the academic board - Maintaining Trainees Discipline.
4.	 ROBERT KORIR –REGISTRAR Date of Birth -23/12/1983 -Bachelor of Education in Technology Education (Power Mechanics Technology)	<ul style="list-style-type: none"> -Coordinate and plan utilization of available facilities such as class rooms workshops and laboratories -Deal with general matters regarding registration of trainees and admission. -Facilitate preparation and distribution of prospectus and organize graduation ceremonies and open days in the Institution.

EMINING TECHNICAL TRAINING INSTITUTE
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5.	 <p>AGNESS JEPTOO CHEBII-DEAN OF STUDENTS Date of Birth-07/02/1984 Masters in Applied Mathematics</p>	<ul style="list-style-type: none"> - Overall in charge of trainees' welfare in the institution. - Oversee the organization of trainees' Clubs and societies, Games and seminars. - Prepare budget related to all co-curricular activities in the institution
6.	 <p>CPA. JECINTA CHELELGO – FINANCE OFFICER Date of Birth -23/09/1987 Bachelor of Commerce (Accounting option) CPA (K) ICPAK Member-NO. 17014</p>	<ul style="list-style-type: none"> - Preparation of Financial Reports - Preparation of payroll and filing submitting statutory returns - Preparation of Budgets - Bank Reconciliations
7.	 <p>ALFRED KOSGEI – PROCUREMENT OFFICER Date of Birth – 11/05/1986 Diploma in purchasing and supplies management KISM Member No.- 78496</p>	<ul style="list-style-type: none"> - Keep proper records of all the assets - Keep inventory records - Dealing with procurement duties

5. Chairman's Statement

I wish to present the 2023/2024 Annual Report to our stakeholders. We are immensely grateful to our staff, students, parents, donors, sponsors and collaborators for their continued commitment and support. Their support motivates and gives us the strength to drive the institution forward, to build on and consolidate the institute's strong profile, good reputation and positive impact.

Of particular mention is the increase in student's enrolment that registered big stride through the government initiative in TVET and rigorous marketing. In Kenya, policy and education experts have predicted that the success of economic growth will be hinged on an adequate supply of middle-level technical skills. In an attempt to address this concern, the government has moved to implement the Technical and Vocational Education and Training Act (2013). This has resulted in increased funding for the Technical and Vocational Education and Training institutions through Capitation, Development Grants, HELB loans and bursaries.

The government's initiative in improving TVET sector brought along several opportunities including increased enrolment, linkages and collaborations. Along these were also high levels of expectations from student, community, employees and other stakeholders. The strategic plan being implemented had envisaged to address the emerging challenges and to take advantage of existing opportunities. It provides a clear roadmap to the Board of Governors and management during the period 2023-2024 of the institute's development priorities in tandem with vision 2030. The Institute continues to make tremendous achievement in fulfilling its mandate by continuing to provide physical and training facilities, employing skilled manpower and automating its operations. It is expected that the government will continue to contribute to the realization of the institute's dreams as we look out to other partners and sources of revenue to fund the planned expansion.

Through a collaborative process of management working among staff and trainees, with the full support of the Board of Governors, we have continuously worked to ensure that the Institute meets its financial obligations for sustainability and for its infrastructural expansion. We continue to improve training facilities to gain competitive edge and meet the requirements of the competitive environment since every constituency boasts of a public TVET institution as well as Private Colleges.

Our commitment as a Board is to continue setting the right tone at the top geared towards the realization of the Institute's vision and mission. We feel indebted to all the stakeholders who contributed to the success of the just concluded financial year and look forward to continued cordial relations.

Signed by 

Prof. Ezekiel Kiprop
The Board Chairman.

6. Report of the Senior Principal

It gives me much pleasure in presenting the Annual financial statements and reports of the Emining Technical Training Institute for the year ended 30th June 2024. The statement of performance shows surplus of **Ksh . 7,883,598.00**.

Let me begin by appreciating the fact that this could not have been possible if all the pillars of corporate governance were not there and functioning effectively. I am glad to report that not only was the Board oversight role realized but also internal audit services were received on engagement of internal auditor this assisted a lot in financial management considering that the management environment was really favourable.

The Institute continued to review its strategy as detailed in the institute's strategic plan to deliver quality training and teaching in the FY 2023/2024. I am pleased to inform you that the institute will continue to strive and leverage on existing growth opportunities in programmes offered which are market driven to cope with the world's dynamic change. The valuable deliverables achieved cannot be appreciated without mentioning the Government of Kenya (GOK) which ensured the institute received capitation grants during that challenging year. Other development partners including NG-CDF, HELB were also of great help as our trainees continued to receive loans and bursaries.

Unfortunately, we wish to report to you that we did not receive development grants to fund our active project automotive garage/agricultural engineering workshop/electrical and electronics workshop. Additionally, capitation for students has not been consistent.

I would also like to pass a message of sincere appreciation to our Trainers, non-teaching staff and the students' governing board, who rendered their invaluable support during the extraordinary financial year.

Finally, I would like to express my special thanks to Emining community at large, suppliers, Government administrators, Church leaders and Baringo County government and not forgetting Emining Technical Training Institute senior staff management who worked tirelessly to ensure smooth operation of this institution.

Signed By..........
THE PRINCIPAL

EMINING TECHNICAL TRAINING INSTITUTE

Annual Report and Financial Statements for the year ended 30th June 2024

7. Statement of Performance against Predetermined Objectives

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to include in the financial statement, a statement of the national government Emining Technical Training Institute's performance against predetermined objectives.

Emining Technical Training Institute has 9 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2023 - FY 2024. These strategic pillars are as follows:

Pillar/ theme/issue 1: To improve on infrastructural facilities to meet training requirements

Pillar/ theme/ issue 2: To enhance information and communication technology systems for efficient operations and training.

Pillar/ theme/ issue 3: To ensure strict adherence to procurement and disposal procedures.

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

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 1	To improve on infrastructure facilities to meet training requirements	Construct new classrooms, library, administration block, laboratories and workshops	Finishing of tuition /ICT block classrooms.	All these are underway
Pillar / theme / issue 2	To enhance information and communication technology systems for efficient operations and training	<ol style="list-style-type: none">i. Develop and maintain a databaseii. Design an institution website and email servicesiii. Provision of LAN to administrative officesiv. Develop an internet cyber café within the libraryv. Promote computer	<ul style="list-style-type: none">- Purchase of Computers for the Library.- The institute website has been revamped.- LAN has been done to library room.	Received computers from the government for Jitume

EMINING TECHNICAL TRAINING INSTITUTE

Annual Report and Financial Statements for the year ended 30th June 2024

		<p>literacy for ICT integration in training</p> <p>vi. Develop an appropriate security system for MIS</p>		
Pillar / theme / issue 8	To ensure strict adherence to procurement and disposal procedures	<p>i. Implement the Government guidelines on procurement and disposal of products and services</p> <p>ii. Computerized stores and supplies operations</p> <p>iii. Training of procurement and disposal committees</p> <p>iv. Identify disposable items</p>	<p>- Training of procurement staff and HoDs as users and initiators of procurement</p>	<p>- Training of HoDs was done.</p> <p>- Training of Procurement and finance officers was done on procurement regulations.</p>
	To enhance Emining TTI corporate image	<p>i. Adherence to the provision of the services charter</p> <p>ii. Improve Institute landscaping and beautification</p> <p>iii. Participate in corporate social activities and humanitarian assistance</p> <p>iv. Marketing the</p>	<p>- The institute has planned to fix cabro flooring from the gate to the entrance of the administrative block.</p> <p>- In the process of acquiring institute</p>	<p>- ALL these are underway.</p>

EMINING TECHNICAL TRAINING INSTITUTE

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		<p>institution through open days, graduation, sports and games</p> <p>v. Provision of academic scholarship to bright and needy students</p> <p>vi. Enhance health, safety and disaster preparedness</p> <p>vii. Create HIV/AIDS, drugs and substances abuse awareness</p> <p>viii. Promote gender equity</p> <p>ix. Address physical challenge concerns</p> <p>x. Eradicate corruption and corrupt practices</p>	<p>School bus. It is believed that this will market the college greatly.</p>	
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EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

8. Corporate Governance Statement

Emining Technical Training Institute is committed to upholding the tenets of good corporate governance which is a reflection of its core values that include integrity, confidentiality, commitment, creativity, innovation and team work.

It is our responsibility to provide the required leadership in designing suitable plans and strategies that will contribute to high and sustainable socio - economic development of the institution. It is our undertaking to ensure that Emining Technical Training Institute has a credible Strategic Plan and Performance Contract that will deliver the desired goals. It is also our undertaking that we will perform our responsibilities diligently and to the best of our abilities to support the achievement of the agreed work plans and performance targets.

(a) The Board of Governors.

In the period ending 30th June 2024, the Board was made up to (8) appointed members comprising of Chairperson, Secretary to The Board, and members based on their knowledge and experience in the following areas:-(i) industry (ii) technology (iii) manufacturing iv) engineering (v) ICT (vi) leadership and Management (vii) Finance.

(b) The Board Committees in place

1. Audit and Risk Committee
2. Finance and Infrastructure Committee
3. Academic and Human Resource Committee.

The following are the number of Board meetings held in the period ending 30th June 2024

Meeting	No. of Meetings	Membership	Average Attendance (%)
Full Board	3	8	100
Audit and Risk Committee	0	0	
Finance and infrastructure Committee	2	3	100
Academic and Human Resource Committee	0	0	

- No Board induction was done during the financial year.

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

9. Management Discussion and Analysis

The Management team of Eming Technical Training Institute comprised of the following - - The Principal, Deputy Principal, Registrar, Dean of Students, Examination officer, Finance officer, Procurement officer and ALL Departmental Heads of Departments and Heads of section are responsible for the development and implementation of Eming Technical Training strategic plan and the overall day-to-day running of the institute.

This is done inconsistency with the institute's strategic objectives to enable the Board to perform its responsibilities. This facilitates effective participation of stakeholders in matters relating to the governance and promotion of training by the institution.

During the Financial Year ended 30th June 2024, the student population increased from 1199 to 1327. The institution received intake of students for September 2023 intake, January 2024 intake and May 2024 intake thus increasing the number of students.

During the Financial Year 2023/2024 sort and skill based courses have continued to gain popularity an example of this is Hair Dressing and Beauty Therapy, food and beverage which got an improved population students. Most competitive short courses have duration of less than one year therefore cannot be funded through Ministry Of Education Capitation while most students prefer Government sponsorship.

During the year, the Tuition Block and ICT Lab structure is at 67% completion and this is where most learning took place. The construction of the new workshops was still going on while the institution utilised the ground floor as a workshop for plumbing due to strain in our current workshops which could not accommodate an increased population especially in the engineering department. The institution also shifted the library to increase the sitting capacity and introduced more computers to the facility to facilitate e-library and therefore increased books available in the library.

10. Environmental and Sustainability Reporting Statement

Emining Technical Training Institute exists to offer quality training services. Our purpose is to provide quality technical and entrepreneurship skills, research and innovation that meet the human resource needs for industrial, societal and industrial development. It's what guides us to deliver our strategy, which is founded on 8 pillars:

1. Curriculum implementation
2. Physical Infrastructure
3. Governance and leadership
4. Machines, Equipment and ICT infrastructure
5. Financial capacity
6. Human resource
7. Collaboration, partnership and linkages.
8. Research and Innovation

Below is a brief highlight of our achievements in each pillar:

Curriculum implementation

In the implementation of the curriculum the management ensured that the training offered was of high quality. Instructional training, continuous assessment and evaluation conducted in line with the academic policy. External examinations were conducted.

Physical Infrastructure

During the period the construction of building and civil workshop was under taken.

Governance and leadership

Reviewed an organogram exists for clear identification of reporting mechanisms among various positions.

Machines, Equipment and ICT infrastructure

Maintenance of the existing machines, equipment and renovations of structures was enhanced,

Financial capacity

Mobilisation of resources through cost cutting measures, policy implementation regarding daily operations

Human resource

Persons with the right qualifications and competence were hired following established process of advertising existing posts, receiving applications, shortlisting of qualified candidates and inviting for an interview conducted based on established criteria that include gender consideration, experiences and relevant qualifications.

Collaboration, Partnership and Linkages.

Partnered with the community in tree planting to increase the Kenya's forest cover.

Research and Innovation

During the year under review, Trainers and Trainees participated in TVET fairs for presentations in research writing competitions, robotics and innovations.

Market place practices-

i) Responsible competition practice

Emining Technical Training Institute ensures responsible competitive practices with her customers. Issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.

ii) Responsible Supply chain and supplier relations

Emining Technical Training Institute's administration always ensures that Supply Chain Officers/Procurement Staff and other employees remain in good standing by maintaining high personal integrity, moral standards and sound reputation.

iii) Responsible Marketing and advertisement.

Emining Technical Training Institute upholds ethical marketing practices especially in procurement of goods, works and services for the institution by ensuring that it abides by Article 96(2) of the Public Procurement and Asset

iv) Product stewardship

Emining Technical Training Institute endeavours to efficiently safeguard consumer rights and interests.

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

11. Report of the Board of Governors

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Emining Technical Training Institute's affairs.

Principal activities

The principal activities of the Emining Technical Training Institute are (continue to be) training and assessment of trainees.

Results

The results of the Emining Technical Training Institute for the year ended June 30 are set out on page 1-5.


Board of Governors

The members of the Board who served during the year are shown on page viii and ix. During the year no director retired/ resigned and 8 were appointed with effect from 15th March 2024.

Auditors

The Auditor General is responsible for the statutory audit of the Emining Technical Training Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2024.

By Order of the Board


.....
Secretary of the Board
Nairobi
Date: 10/6/2025

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

12. Statement of Board of Governors Responsibilities

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

The Board members are responsible for the preparation and presentation of the Emining Technical Training Institute's financial statements, which give a true and fair view of the state of affairs of the Emining Technical Training Institute for and as at the end of the financial year ended on June 30, 2024. 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 Emining Technical Training Institute, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the Emining Technical Training Institute, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the Emining 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 Emining Technical Training Institute's financial statements give a true and fair view of the state of Emining Technical Training Institute's transactions during the financial year ended June 30, 2024, and of the Emining Technical Training Institute's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the Emining Technical Training Institute, which have been relied upon in the preparation of the Emining Technical Training Institute's financial statements as well as the adequacy of the systems of internal financial control.

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

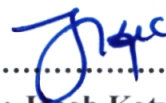
In preparing the financial statements, the Principal has assessed the Emining Technical Training Institute's ability to continue as a going concern. Nothing has come to the attention of the Board members to indicate that the Emining Technical Training Institute will not remain a going concern for at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

Approval of the financial statements

The Emining Technical Training Institute's financial statements were approved by the Board on 04/06/2025 and signed on its behalf by:



.....
Name: Prof. Ezekiel Kiproo
Chairperson of the Board



.....
Name : Jacob Kotut
Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON EMINING TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2024

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 Emining Technical Training Institute set out on pages 1 to 26, which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

Report of the Auditor-General on Emining Technical Training Institute for the year ended 30 June, 2024

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 Emining Technical Training Institute as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following inaccuracies;

- i. The statement of financial performance and Note 7 to the financial statements reflect rendering of services amount of Kshs.72,786,106. However, the statement of cashflows reflects an amount of Kshs.56,772,974 resulting in an unexplained variance of Kshs.16,013,132.
- ii. Further, the statement of financial performance and Note 9 to the financial statements reflect use of goods and services amount of Kshs.56,053,080. However, the statement of cashflows reflects an amount of Kshs.42,880,548 which was erroneously reflected to be related to general expenses resulting to an unexplained variance of Kshs.13,172,532.

In addition, the statement has not indicated the corresponding Notes to the financial statements in respect of the various amounts reflected therein.

- iii. Note 22 to the financial statements reflects increase in receivables amount of Kshs.18,151,605. However, the statement of financial position reflects an increase of Kshs.19,151,605 resulting in an unexplained variance of Kshs.1,000,000.

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

2. Unconfirmed Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.(591,586) as disclosed in Note 14 to the financial statements. Review of the cashbooks provided for audit review disclosed that the operations and Sacco accounts were overdrawn by Kshs.256,985 and Kshs.349,567 respectively casting doubt on the liquidity of the Institute. However, Management did not provide any evidence to indicate that the Institute had been authorized by the National Treasury to overdraw its bank accounts.

Further, the Board of Survey reports confirming the balances in the respective cashbooks were not provided for audit review.

In the circumstances, the accuracy and completeness of cash and cash equivalents of Kshs.(591,586) could not be confirmed.

3. Property, Plant and Equipment

3.1 Undisclosed Assets

The statement of financial position reflects property, plant and equipment balance of Kshs.111,622,593 as disclosed in Note 16 to the financial statements. However, the balance excludes assorted equipment donated by the Ministry of Education, furniture and fittings donated by Rift Valley Technical Training Institute, motor vehicles donated by National Government-Constituencies Development Fund, Mogotio Constituency and GDC Kenya, computers donated by Government of Korea, whose value could not be determined as no cost had been indicated in the asset register.

Although the assorted equipment, furniture and fittings, motor vehicles and computers were delivered to the Institute, no reason was provided for the delayed valuation of equipment or the failure to disclose them in the financial statements.

Further, Note 16 (b) to the financial statements reflects the Institute's assets with a total net book value of Kshs.58,753,413 which is at variance with the balance of Kshs.111,622,593 disclosed in the financial statements resulting in an unexplained variance of Kshs.52,869,180.

In the circumstances, the accuracy, completeness, existence, presentation and disclosure of the property plant and equipment balance of Kshs.111,622,593 could not be confirmed.

3.2 Lack of Land Ownership Documents

The statement of financial position reflects property, plant and equipment balance of Kshs.111,622,593 which as disclosed in Note 16 to the financial statements includes land with a net book value of Ksh.15,000,000. However, available information revealed that the Institute did not have in its custody a title deed for the land. Management confirmed that the Institute was in the process of acquiring the title deed.

In the circumstances, the rights, ownership, presentation and disclosure of the land balance of Kshs.15,000,000 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects budgeted revenue and actual on comparable amounts of Kshs.106,746,285 and Kshs.81,811,669 respectively resulting to an underfunding of Kshs.24,934,616 or 23% of the budget. Further, the statement reflects that the Institute spent an amount of Kshs.80,567,737 against the actual receipts of Kshs.81,811,669 resulting in an over absorption of Kshs.1,243,932 or 2% of the actual receipts.

However, Management did not include the explanations for material differences between the budget and actual amounts as requires by the regulations and standards.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit of the previous year, several paragraphs were raised under the Report of Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not given any explanation on how the issues were resolved.

Other Information

Management is responsible for the other information set out on page iii to xxii which comprise of Key Emining Technical Training Institute Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Senior Principal, Statement of Performance against Predetermined Objectives, Management Discussion and Analysis, Corporate Governance Statement, Environmental and Sustainability Reporting, Report of the Board of Governors and Statement of Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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. Stalled Project – Proposed Erection and Completion of Automotive Agriculture and Electrical/Electronic Workshop

The statement of financial position reflects property, plant and equipment balance of Kshs.111,622,593 that includes work in progress amount of Kshs.52,869,180 which further includes a balance of Kshs.15,314,079 in respect of construction of the automotive agriculture and electrical workshop.

A construction agreement was signed between the Institute and a local contractor on 4 October, 2017 for the erection and completion of automotive agriculture and electrical/electronic workshop at a contract sum of Kshs.23,933,651. The agreed completion date was set at thirty-six (36) weeks after the commencement date of 14 December, 2017. Further, an extension of time was granted up to 28 April, 2023 but the contractor gave a termination notice on 24 March, 2023 due to a long outstanding payment.

It was observed that at the time the project stalled, it was 74% complete with eight (8) payment certificates totalling Kshs.18,313,633 having been issued. However, the 8 payment certificate amounting to Kshs.3,142,861 had been issued on 26 February, 2021 and has not been paid. Despite the efforts by the Institute to follow up with the State Department for the disbursement of the balance of Kshs.9,052,015, the funds were not disbursed and management was advised to source their own internal funds to complete the project.

In the circumstances, the value for money on the funds already spent on the project could not be confirmed.

2. Non-compliance with the Law on Ethnic Composition

The statement of financial performance reflects employee costs balance of Kshs.13,274,180 as detailed in Note 10 to the financial statements. However, review of employees' bio data as at 30 June, 2024 revealed that the Institute has fifty-eight (58) employees out of which fifty-six (56) or 97% of all staff were from one ethnic community. This is contrary to Section 7 (1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall 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. Long Outstanding Receivables from Exchange Transactions

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.76,821,862 as disclosed in Note 15 to the financial statements. The amount includes a balance in respect of fees arrears owed to the Institute by students totaling Kshs.36,066,617 or 47% of the total receivables which has been outstanding for more than three (3) years. The recoverability is doubtful since the students with fees arrears may have already left the Institute. Further, Management has not explained the measures that the Institute has put in place to have the fees arrears recovered.

In the circumstances, the recoverability of the fees arrears owed to the Institute by students totaling Kshs.36,066,617 could not be confirmed.

2. Long Outstanding Trade and Other Payables

The statement of financial position reflects trade and other payables balance of Kshs.14,162,461 as disclosed under Note 19 to the financial statements. Included in the amount is a balance Kshs.900,000 which has been outstanding for more than two (2) years. It is not clear why the institution ordered for goods and services before ensuring funds to meet the obligations were available. Further, Management has not explained why the Institute has not cleared the long outstanding payables.

In the circumstances, the Institute may incur additional and unnecessary costs related to penalties and interest on long outstanding unpaid creditors' balances.

3. Lack of an Internal Audit Function and Audit Committee Meeting Minutes

During the year under review, the Institute did not have an internal audit function and Management did not provide the Board's audit committee minutes provided for audit to ensure guidance and evaluation of the Institute's internal controls, risk management and governance. This is contrary to section 73(1a) of Public Finance Management Act, 2012 which states that, every national government entity shall ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of accounting standards board.

In the circumstances, the Institute did not benefit from the oversight role of the internal audit function and the audit committee.

4. Lack of an Approved Fraud Policy

The Institute did not have in place a fraud management policy to assist in detecting and preventing fraud during the year under review. It was therefore not possible for Management to put any measures that could assist in detection and prevention of fraud contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, Management may not be in a position to identify, detect and prevent fraud in the Institute.

5. Failure to Implement the Risk Management Policy

During the year under review, Management had not implemented the risk management policy. Further, Management did not provide any evidence inform of a risk register or risk assessment report to proof that formal risk assessments had been conducted or that the institution had any strategy or any specific controls that had been put in place to mitigate operational, legal and financial risks.

In addition, it was observed that the Institute lacks a disaster recovery plan or business continuity plan which outlines how it will continue operating during an unplanned disruption in service.

In the circumstances, the effectiveness of internal controls, risk management and governance could not be confirmed.

6. Lack of Information Technology (IT) Strategic Plan and Committee

Review of the Institute's information technology (IT) environment in use revealed that it has not established Information Technology (IT) strategic and steering committees, and an approved IT strategic plan that supports business requirements.

In addition, there is no back-up retention strategy and there are no formal documented and approved processes to manage upgrades which means that unauthorized changes can be made without change request documentation.

Further, the IT department lacks a formal emergency procedure which stipulates the procedures and steps for the users to follow in case of an emergency or a disruption which would lead to business interference.

In the circumstances, the non-establishment of an IT strategic plan and committee could result in data loss, theft and disruption of services.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 June, 2025

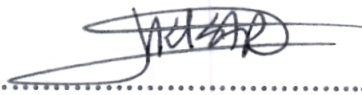
EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

14. Statement of Financial Performance for the Year Ended 30 June 2024

	Notes	Period ended	Period ended
		June 2024	June 2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from the National Government – Capitation grants/gift in kind.	6	8,572,000.00	9,557,000.00
		8,572,000.00	9,557,000.00
Revenue from exchange transactions			
Rendering of services- Fees from students	7	72,786,106.00	51,906,570.00
Sale of goods and hire of facility	8	462,563.00	158,336.00
Revenue from exchange transactions		73,248,669.00	52,064,906.00
Total revenue		81,820,669.00	61,621,906.00
Expenses			
Use of goods and services	9	56,053,080.00	34,662,410.00
Employee costs	10	13,274,180.00	10,172,669.00
Remuneration of directors	11	590,500.00	806,500.00
Depreciation and amortization expense	12	3,446,476.00	3,633,613.00
Repairs and maintenance	13	572,835.00	225,730.00
Total expenses		73,937,071.00	49,500,922.00
Other gains/(losses)		0.00	0.00
Gain on sale of assets			
Total other gains/(losses)		0.00	0.00
Net Loss/Profit for the Period		7,883,598.00	12,120,984.00

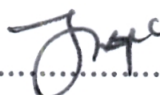
The notes set out on pages 15 to 22 form an integral part of the Annual Financial Statement.

The Financial Statements set out on pages 1 to 5 were signed by:



Chairman of Board

Date 10/06/2025



Principal

Date 10/06/2025



Finance Officer

ICPAK No:17014

Date 10/6/2025



EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024


15. Statement of Financial Position as At 30th June 2024

	Notes	Period ended June 2024	Period ended June 2023
		KSHs	KSHs
Assets			
Current assets			
Cash and cash equivalents	14	(582,586.00)	1,155,082.00
Current portion of receivables from exchange transactions	15	76,821,862.00	57,670,257.00
		76,239,276.00	58,825,339.00
Non-current assets			
Long term receivables from exchange transactions	15	0.00	1,000,000.00
Property, plant and equipment	16	111,622,593.00	107,750,903.00
Intangible assets	17	687,500.00	1,375,000.00
Biological Assets	18	1,520,000.00	1,390,000.00
		113,830,093.00	111,515,903.00
Total assets		190,069,369.00	170,341,242.00
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	19	14,162,461.00	2,893,256.00
Refundable deposits from customers	20	804,700.00	804,700.00
Payments received in advance	21	575,324.00	0.00
		15,542,485.00	3,697,956.00
Total liabilities		15,542,485.00	3,697,956.00
Net assets			
Accumulated surplus		73,287,602.00	65,404,004.00
Capital Fund		101,239,282.00	101,239,282.00
Total net assets and liabilities		174,526,884.00	170,341,242.00
Total Liabilities and Capital Reserves		190,069,369.00	170,341,242.00

The Financial Statements set out on pages 1 to 5 were signed by:



Chairman of Board



Principal



Finance Officer

Date 10/06/2025

Date 10/6/2025

Date 10/6/2025
 ICPAK No:17014



EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

16. Statement of Changes in Net Asset for The Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2022	0.00	53,283,020.00	101,239,282.00	154,522,302.00
Revaluation gain	0.00	-	-	0.00
Surplus/(deficit) for the year	-	12,120,984.00	-	12,120,984.00
Capital grants received during the year	-	-	0.00	0.00
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	0.00	0.00	-
At June 30, 2023	0.00	65,404,004.00	101,239,282.00	166,643,286.00
At July 1, 2023	0.00	65,404,004.00	101,239,282.00	166,643,286.00
Surplus/(deficit) for the year	-	7,883,598.00	-	7,883,598.00
At June 30, 2024	0.00	73,287,602.00	101,239,282.00	174,452,884.00

EMINING TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

17. Statement of Cash Flows for the Year Ended 30 June 2024

	Note	Period ended June 2024	Period ended June 2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants		8,572,000.00	9,557,000.00
Rendering of services- Fees from students		56,772,974.00	51,906,570.00
Sale of goods and hire of facility		462,563.00	43,336.00
Miscellaneous Income		0.00	115,000.00
Total Receipts		65,807,537.00	61,621,906.00
Payments			
Employee costs		13,274,180.00	10,172,669.00
General expenses		42,880,548.00	34,662,410.00
Board allowance		590,500.00	806,500.00
Depreciation		3,466,476.00	0.00
Repairs and Maintenance		572,835.00	225,730.00
Total Payments		60,784,539.00	45,867,309.00
Net cash flows from operating activities	22	5,022,998.00	(4,918,592.00)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(6,630,666.00)	(6,064,704.00)
Proceeds from sale of property, plant and equipment		(130,000.00)	
Net cash flows used in investing activities		(6,760,666.00)	(6,064,704.00)
Cash flows from financing activities			
Proceeds from borrowings		0.00	0.00
Repayment of borrowings		0.00	0.00
Increase in deposits		0.00	0.00
Net cash flows used in financing activities		0.00	0.00
Net increase/(decrease) in cash and cash equivalents		(1,737,668.00)	(10,983,296.00)
Cash and cash equivalents at 1 JULY	14	1,155,082.00	12,138,378.00
Cash and cash equivalents at 30 JUNE	14	(582,586.00)	1,155,082.00

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from other Govt entities Govt grants	27,000,000.000	0.00	27,000,000.00	8,572,000.00	(18,428,000.00)	31.74
Transfers from other Govt entities Govt grants-Development	12,313,285.00	0.00	12,313,285.00	0.00	(12,313,285.00)	0.00
Rendering of services- Fees from students	66,953,000.00	0.00	66,953,000.00	72,786,106.00	5,833,106.00	108.71
Sale of goods	480,000.00	-	480,000.00	453,563.00	(26,437.00)	94.49
Total income	106,746,285.00	0.00	106,746,285.00	81,811,669.00	(25,114,616.00)	76.64
Expenses						
Use of Goods and services	66,529,981.00	0.00	66,529,981.00	56,053,080.00	10,476,901.00	87.67
Board Expense	1,400,000.00		1,400,000.00	590,500.00	809,500.00	45.82
Repairs and Maintenance	508,000.00		508,000.00	572,835.00	(64,835.00)	112.76
Employment Cost	12,120,000.000	0.00	12,120,000.00	13,274,180.00	(1,154,180.00)	109.52
Depreciation Expenses	0.00		0.00	3,446,476.00	(3,446,476.00)	0.00
Total expenditure	80,557,981.00	0.00	80,557,981.00	73,937,071.00	4,128,989.00	94.32
Surplus for the period	26,188,304.00	0.00	26,188,304.00	7,874,598.00	20,355,627.00	22.27
Capital Expenditure	26,188,304.00	0.00	26,188,304.00	6,630,666.00	19,557,638.00	16.40

19. Notes to the Financial Statements

1. General Information

Emining Technical Training Institute is established by and derives its authority and accountability from TVETA Act. The Emining Technical Training Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Emining Technical Training Institute's principal activity is providing quality training in technical, industrial, vocational and entrepreneurship.

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 judgment in the process of applying the Emining Technical Training Institute's accounting policies. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Emining 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.

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Notes To the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

There are no new standards in the year ended 30th June 2024

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Emining Technical Training Institute. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across

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	<p>IPSAS by:</p> <ol style="list-style-type: none">i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>

iii. Early adoption of standards

The Eming Technical Training Institute did not early adopt any new or amended standards in year 2023/2024.

Notes To the Financial Statements (Continued)

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 Eming Technical Training Institute and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

b) Budget information

The original budget for FY 203/2024 was approved by the Board on 31/03/2023. No Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The Eming Technical Training Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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.

Notes To the Financial Statements (Continued)

c) Taxes

Current income tax

Emining Technical Training Institute is exempt from paying taxes as per 1st schedule subsection (a) and (b) of the income tax Act 2010.

The institution however deducts and submits PAYE and Housing Levy.

Sales tax/ Value Added Tax

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

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

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

d) 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 Emining Technical Training Institute recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

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

	<u>Rate %</u>
Buildings	2.5
Plant and machinery	12.5
Library books	25
Furniture and fittings	12.5
Computer equipment	30
Motor Vehicles	25

Notes To the Financial Statements (Continued)

e) 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.

f) Research and development costs

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

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

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

Financial assets

Classification

The Eminating Technical Training Institute 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 Eminating Technical Training Institute'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 cash flows and selling financial assets and the contractual terms of

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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 Emining Technical Training Institute has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Emining Technical Training Institute 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.

Notes To the Financial Statements (Continued)

g) Nature and purpose of reserves

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

h) Changes in accounting policies and estimates

The Emining 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.

i) Related parties

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

j) 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.

k) Comparative figures

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

l) 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, 2024.

Notes To the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the Eming 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

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Notes To the Financial Statements (Continued)

6. Transfers from other National Government entities

Description	Period ended June 2024	Period ended June 2023
	KSHs	KSHs
Unconditional grants		
Capitation grants	8,572,000.00	9,557,000.00
Total government grants and subsidies	8,572,000.00	9,557,000.00

(a)Transfers from other Government entities (Categorized)

Name of the Sending The Grant	Amount recognized to of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative 2022/2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Education Ministry/State Department	8,572,000.00	0.00	0.00	8,572,000.00	9,557,000.00
Total	8,572,000.00	0.00	0.00	8,572,000.00	9,557,000.00

The details of the reconciliation have been included under appendix III

7. Rendering of Services

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Tuition fees	52,230,586.00	32,551,480.00
Exam fees	3,745,520.00	4,743,790.00
Short courses fees	841,500.00	1,191,500.00
Boarding Fees	15,968,500.00	13,419,800.00
Total revenue from the rendering of services	72,786,106.00	51,906,570.00

Tuition Fees include regular students paying ksh 26,420 per module, while NYS Students pay ksh.63, 000 per module and new model is at 67,189 per year.

Boarding Fees for NYS is ksh.23, 100 per term while regular students pay ksh.15, 500 per term.

Computer packages are charged at ksh. 3,500, driving fees is charged at ksh. 12,000(Full course) ,8,000 (Short course)

8. Sale of Goods and hire of facility

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Sale of farm produce and hire of facility	462,563.00	158,336.00
Total revenue from the sale of goods	462,563.00	158,336.00

This is the total income from the sale of milk and hire of facility from July 2023 to June 2024.

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Notes To the Financial Statements (Continued)

9. Use of Goods and Services

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Teaching and learning materials	10,341,002.00	5,586,844.00
Motor Vehicle Expenses	1,857,965.00	764,574.00
Electricity Water and Conservation	1,019,686.00	704,157.00
Marketing Expenses	1,187,710.00	1,626,580.00
Student Union Expenses	648,960.00	308,960.00
Internet Expenses	630,201.00	431,729.00
Examination fees	4,033,170.00	4,743,790.00
Activity Expenses	1,967,258.00	2,158,398.00
Skills Development	400,400.00	830,970.00
Subscriptions	0.00	418,300.00
Travelling and accommodation	2,800,250.00	3,260,130.00
Medical Expenses	273,315.00	42,900.00
Boarding Expenses	17,210,192.00	8,030,687.00
Printing and Stationeries	2551,702.00	1,314,110.00
Administration Expenses	9,444,186.00	2,846,518.00
Cleaning and Maintenance	607,408.00	307,236.00
Industrial attachment expenses	207,620.00	301,832.00
Telephone expenses	452,000.00	350,000.00
Performance Contract	409,100.00	615,360.00
Bank Charges	10,955.00	19,335.00
Total good and services	56,053,080.00	34,662,410.00

10. Employee Costs

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Salaries and wages	12,634,616.00	10,057,469.00
Social contributions-NSSF	460,315.00	115,200.00
Housing Levy	179,249.00	0.00
TOTAL	13,274,180.00	10,172,669.00

11. Board Expenses

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Board Expenses	590,500.00	806,500.00
TOTALS	590,500.00	806,500.00

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Notes To the Financial Statements (Continued)

12. Depreciation and Amortization expense

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Property, plant and equipment	2,758,976.00	2,946,113.00
Intangible assets	687,500.00	687,500.00
Total depreciation and amortization	3,446,476.00	3,633,613.00

13. Repairs and Maintenance

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Repair works	572,835.00	225,730.00
Total repairs and maintenance	572,835.00	225,730.00

14. Cash and Cash Equivalents

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Current account	(582,586.00)	1,155,082.00
Total cash and cash equivalents	(582,586.00)	1,155,082.00

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

Financial Institution	Account number	Period ended June 2024	Period ended June 2023
		Kshs	Kshs
a) Current Account			
KCB -Operation	1148626859	(256,985.00)	1,086,578.00
KCB -Development	1166509710	14,719.00	14,719.00
KCB -NG CDF	1281250708	247.00	1,433.00
Skyline Sacco	5651-005-01721	(340,567.00)	52,352.00
Sub total		(582,586.00)	1,155,082.00
Grand Total		(582,586.00)	1,152,082.00

EMINING TECHNICAL TRAINING INSTITUTE
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Notes To the Financial Statements (Continued)

15. Receivables from Exchange transactions

15 (a) Current Receivables from Exchange transactions

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Current Receivables		
Current receivables		
Student debtors	76,821,862.00	57,670,257.00
Total current receivables	76,821,862.00	57,670,257.00

15 (b) Long- term Receivables from Exchange transactions

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Non-Current Receivables		
Advance Payments	0.00	1,000,000.00
Total Non-Current Receivables	0.00	1,000,000.00
Total Receivables	76,821,862.00	58,670,257.00

15 (c) Ageing Analysis of Receivables from Exchange transactions

Description	Period ended June 2024		Period ended June 2023	
	Kshs		Kshs	
Less than 1 year	34,588,496.00	45.02%	13,184,144.00	22.47%
Between 1- 2 years	6,166,749.00	8.03%	6,689,917.00	11.40%
Between 2-3 years	9,257,846.00	12.06%	9,016,442.00	15.37%
Over 3 years	26,808,771.00	34.89%	29,779,754.00	50.76%
Total	76,821,862.00	100.00%	58,670,257.00	100.00%

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Notes To the Financial Statements (Continued)

16. Property, Plant and Equipment

Cost	Buildings	Land	Furniture and Fittings	Motor vehicles	Computers	Text books	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2022	2.5%		12.5%	25%	30%	25%	12.5%		
Additions	42,110,225.00	15,000,000.00	2,289,278.00	6,657,356.00	1,292,304.0	1,065,046.0	1,450,411.00	41,627,887.00	111,492,506.00
At 30 th June 2023	0.00	-	-		-	-	-	6,064,704.00	6,064,704.00
Additions	42,110,225.00	15,000,000.00	2,289,278.00	6,657,356.00	1,292,304.00	1,065,046.00	1,450,411.00	47,689,591.00	117,554,210.00
At 31 st June 2024	0.00	-	621,307.00	0.00	738,491.00	0.00	91,279.00	5,179,589.00	6,630,666.00
Depreciation and impairment	42,110,225.00	15,000,000.00	3,005,412.00	6,657,356.00	1,292,303.70	1,065,046.25	1,450,410.50	51,753,402.00	101,108,232.00
At 1 July 2022									
Depreciation	(2,804,388.00)	-	(1,162,525.00)	(1,664,339.00)	(1,090,833.00)	(462,325.00)	(478,850.00)	-	(7,663,160.00)
At 30 June 2023	(982,646.00)	-	(121,458.00)	(1,248,254.00)	(302,230.00)	(150,681.00)	(140,844.00)	-	(2,946,113.00)
Depreciation	(3,787,034.00)	-	(1,283,983.00)	(2,912,593.00)	(1,393,063.00)	(613,006.00)	(619,694.00)	-	(10,609,273.00)
At 30 th June 2024	(958,080.00)	-	(203,325.00)	(936,191.00)	(433,108.00)	(113,010.00)	(115,262.00)	-	(2,758,976.00)
Net book values	(4,745,114.00)	-	(1,440,261.00)	(3,848,784.00)	(1,604,624.00)	(726,016.00)	(723,546.00)	0.00	(13,088,245.00)
At 30 th June 2023									
	38,323,192.00	15,000,000.00	1,005,295.00	3,744,763.00	705,204.00	452,041.00	830,817.00	47,689,887.00	107,750,903.00
At 30 th June 2024	37,365,112.00	15,000,000.00	1,423,277.00	2,808,572.00	1,010,587.00	339,031.00	806,834.00	52,869,180.00	111,622,593.00

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Notes to the Financial Statements (Continued)

Valuation

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

16 (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	15,000,000.00	0.00	15,000,000.00
Buildings	52,177,011.00	14,811,899.00	37,365,112.00
Plant And Machinery	1,748,890.00	942,056.00	806,834.00
Text Books	1,823,265.00	1,484,234.00	339,031.00
Motor Vehicles including Motorcycles	6,657,356.00	3,848,784.00	2,808,572.00
Computers and Related Equipment	3,870,406.00	2,859,819.00	1,010,587.00
Office Equipment, Furniture, And Fittings	5,024,491.00	3,601,214.00	1,423,277.00
Total	86,301,419.00	27,548,006.00	58,753,413.00

17. Intangible Assets

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Cost		
At beginning of the year	1,375,000.00	2,062,500.00
Additions during the period	0.00	0.00
At end of the period	1,375,000.00	2,062,500.00
Additions–internal development	0.00	0.00
At end of the period	-	0.00
Amortization and impairment	687,500.00	687,500.00
At beginning of the year	687,500.00	0.00
Amortization during the period		0.00
At end of the period		0.00
Impairment loss during the period	0.00	0.00
At end of the period	687,500.00	687,500.00
NBV	687,500.00	1,375,000.00

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Notes To the Financial Statements (Continued)

18. Biological Assets

	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Cattle	1,070,000.00	1,390,000.00
Goats	450,000.00	0.00
TOTAL	1,520,000.00	1,390,000.00

19. Trade and Other Payables

Description	Period ended June 2024		Period ended June 2023	
	Kshs		Kshs	
Suppliers Debts	13,172,532.00		100,000.00	
Fees paid in advance	0.00		1,775,380.00	
Third-party payments	900,000.00		964,910.00	
Other payables	89,929.00		52,966.00	
Total trade and other payables	14,162,461.00		2,893,256.00	
Ageing analysis:	Period ended June 2024	% of the Total	Period ended June 2023	% of the Total
Under one year	13,262,461.00	93.65 %	1,017,876.00	35.18%
1-2 years	0.00	0 %	672,820.00	23.25%
2-3 years	900,000.00	6.35%	465,314.00	16.09%
Over 3 years	0.00	0 %	737,246.00	25.48%
Total (to tie to totals above)	14,162,461.00	100%	2,893,256.00	100%

20. Refundable Deposits from Customers/Students

Description	Period ended June 2024		Period ended June 2023	
	Kshs		Kshs	
Caution money	804,700.00		804,700.00	
Total Deposits	804,700.00		804,700.00	
Ageing analysis:	Period ended June 2024	% of the Total	Period ended June 2023	% of the Total
Under one year	0.00	0 %	0.00	0 %
1-2 years	0.00	0 %	0.00	0 %
2-3 years	0.00	0 %	0.00	0 %
Over 3 years	804,700.00	100%	804,000.00	100%
Total (to tie to totals deposits above)	804,700.00	100%	804,000.00	100%

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Notes To the Financial Statements (Continued)

The Emining Technical Training Institute also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Emining Technical Training Institute's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 6% of gross salary per employee per month.

21. Payments received in advance.

Description	Period ended June 2024		Period ended June 2023	
	Kshs		Kshs	
Fees received in advance	575,324.00		0.00	
Total	575,324.00		0.00	
Ageing analysis:	Period ended June 2024	% of the Total	Period ended June 2023	% of the Total
Under one year	72,426.00	%	0.00	%
1-2 years	53,117.00	%	0.00	%
2-3 years	63,489.00	%	0.00	%
Over 3 years	386,292.00	%	0.00	%
Total	575,324.00	%	0.00	%

22. Cash generated from operations.

	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Surplus for the year before tax	7,883,598.00	12,120,984.00
Adjusted for:		
Depreciation	3,446,476.00	3,633,613.00
Working Capital Adjustments	11,330,074.00	15,754,597.00
Decrease/Increase in payables	11,844,529.00	(1,403,840.00)
Increase in Receivable	(18,151,605.00)	(19,269,319.00)
Net Cash Flow from Operating Activities	5,022,998.00	(4,918,562.00)

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Notes To the Financial Statements (Continued)

23. Financial Risk Management

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

The Emining Technical Training Institute's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

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 Emining Technical Training Institute's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	57,670,257.00	57,670,257.00	0.00	0.00
Bank balances	1,155,082.00	1,155,082.00	0.00	0.00
Total	58,825,339.00	58,825,339.00	0.00	0.00
At 30 June 2024				
Receivables from exchange transactions	76,821,862.00	76,821,862.00	0.00	0.00
Bank balances	(582,586.00)	(582,586.00)	0.00	0.00
Total	76,230,276.00	76,230,276.00	0.00	0.00

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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 Emining Technical Training Institute has significant concentration of credit risk on amounts due from students and the government.

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) Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Head of Departments.

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

Description	FY 2023 2024	FY 2022/2023
	Kshs	Kshs
Transactions with Related Parties		
B) Purchases from related parties		
Purchases of electricity from kplc	707,924.00	610,052.00
Total	707,924.00	610,052.00
a) Grants /Transfers from the Government		
Grants from National Govt	8,572,000.00	9,557,000.00
Donations in Kind	0.00	0.00
Total	8,572,000.00	9,557,000.00
Key Management Compensation		
Directors' emoluments	590,500.00	806,500.00
Total	590,500.00	806,500.00

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24. Events After The Reporting Period

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

25. Ultimate And Holding Emining Technical Training Institute

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

26. Currency

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

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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)
	Unsupported Fuel and oil Expenses	The expenses have now been accounted for	Resolved	June 2023
	Property Plant and Equipment	The valuation of the assets has not been done	Not Resolved	December 2024
	Failure to deduct PAYE for board members	The institution commits to comply with the requirements	Not Resolved	December 2024
	Budgetary control and performance	The institution not yet able to spent 100%	Not Resolved	June 2025
	Irregular procurement – Use of goods and services	The institution commits to comply with the requirements	Resolved	December 2023
	Unsupported travelling and accommodation	The institution commits to comply with the requirements	Resolved	Dec 2023
	Unsupported transfers from other national government entities	Validated lists of beneficiaries and returns are available	Resolved	June 2023

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Name **Jacob Lotfi**
Accounting Officer
Head of Emining Technical Training Institute
Date **10/6/2025**

EMINING TECHNICAL TRAINING INSTITUTE

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**Appendix II: Projects Implemented by Emining 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.TUITION BLOCK & ICT LAB	ETTI/CTBIL/T/01/ 2014-2015	GOK	1 year		yes	yes
2.AUTOMOTIVE GARAGE WORKSHOP	ETTI/OPNT/01/201 7-2018	GOK	1 year		yes	yes

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	TUITION BLOCK & ICT LAB	32,000,000.00	25,289,598.00	80%	32,000,000.00	25,289,598.00	GOK
2	AUTOMOTIVE GARAGE WORKSHOP	23,933,651.00	14,314,079.00	67%	23,933,651.00	14,314,079.00	GOK

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Appendix III- Inter-Emining Technical Training Institute Confirmation Letter

Name of transferring Entity: Ministry of Education

Name of beneficiary Entity: Emining Technical Training Institute

Confirmation of amounts received by Emining Technical Training Institute as at 30 th June 2024						
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Scholarship	Total (C)=(A+B)	Remarks
	26/10/2023	2,527,000.00	0.00		2,527,000.00	
	18/01/2024	2,821,000.00	0.00		2,821,000.00	
	05/02/2024	3,224,000.00	0.00		3,224,000.00	
Total		8,572,000.00			8,572,000.00	
Reference Number	Scholarship					
	09/02/2024			6,517,333.00		
	27/02/2024			1,021,273.00		
				7,538,606.00		
<p>I confirm that the amounts shown above are correct as of the date indicated.</p> <p>Head of Accounts Department – Disbursing –Ministry of education :</p> <p>Name Sign Date</p> <p>Head of Accounts Department - Emining Technical Training Institute:</p> <p>Name <u>Secinta Chalega</u> Sign <u>[Signature]</u> Date <u>12/6/2024</u></p>						

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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
None									None

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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
None					0.0	None

