

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 19 JUN 2025

DAY.

Thursday

TABLED
BY:

Hon. Silvanus Osoo
(Majority Party Whip)

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PRESENTED AT
THE TABLE:

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PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

BORABU TECHNICAL TRAINING INSTITUTE

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

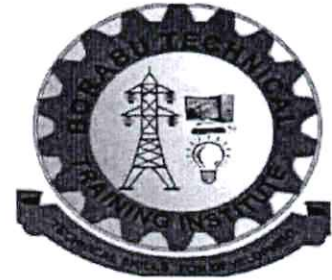
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**BORABU TECHNICAL
TRAINING INSTITUTE**



BORABU TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2022

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

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I. Key Entity Information and Management

Background information

Borabu Technical Training Institute was founded in 2018 as a technical training institute on 5 acres piece of land under the sponsorship of the ministry of education. It was incorporated under the TVET Act 2013 and is domiciled in Kenya. The institution was mentored by Kisii National Polytechnic until it was handed over to the current principal on 01/01/2018. The college started off with ICT and electrical engineering students. Since then more courses have been introduced such as hair dressing, Fashion and design, Human Resource, Supply chain Management and co-operative management. Over the years, the institute has trained graduates who are now working in different sectors of the economy.

Principal activities

The principal activities of the institute are to: offer competent Based technical Training, prepare and guide trainees, for evaluation and certification by appropriate examining bodies and promote Science, Technology and Innovation in all Training programmes.

Borabu Technical Training Institute strategic statement and Core Mandate

Mandate

The Mandate of Borabu Technical and Vocational College is to:

1. To offer teaching/Training in science and technology
2. To offer innovative discovery, transmission and preservation of knowledge
3. To carry out research and entrepreneurial activities.

Core Goals of BTTI

1. Co-ordinate and implement science, technology and innovation (STI), technical education (TE), research and development.
2. Spearhead research and the application of research results
3. Contribute to industrial and technological development, in collaboration with through transfer of STI and TE to the trainees.
4. To develop curricular in response to the demands of the labour market in line with CDACC and TVETA regulations.
5. To implement TVETA approved curricula
6. Provide programmes, products and services in ways that reflect the principles of equity and social justice.

Vision Statement

To be a centre of excellence for Technical, Vocational Education and Training.

Mission Statement

To provide Competent Human Resource for Sustainable Development in Science and Technology.

Strategic Objectives

1. To provide market-oriented training programmes to the trainees;
2. To undertake Applied Research and Develop Innovations;
3. To adopt ICT in teaching, learning, research and management;
4. To provide Quality Learning Environment;
5. To enhance the human capital capacity base and financial sustainability of Borabu Technical and Vocational College;
6. To enhance result-based performance evaluation and quality assurance.

a. Key Management

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

Board of Governors

Principal

Deputy Principal Administration

Registrar

Dean of students

Head of Finance

Procurement Officer

Quality Assurance Officer

PC Co-ordinator

Industrial Attachment Co-ordinator

b. Fiduciary Management

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

No.	Designation	Name
1.	Principal	Mr. Yuvenalis Momanyi Omwocha
2.	Deputy Principal administration	-
3	Deputy Principal Academics	Mr. Benjamin Nyareki Ongoro
4	Registrar	Mr. Daniel Nyagechi Kaba
5	Dean of students	Ms. Daisy Nyasuna Abongo
6	Finance Officer	Mr. Kelvin Momanyi Mosaisi
7	Procurement Officer	Mr. Leonard Mosioma
8	Attachment Co-Ordinator	Mr. Kipngetch Bett

c. Fiduciary Oversight Arrangements

1. Audit and risk committee activities
2. Finance, Human Resource and administration committee activities
3. Education Research and Training committee activities

Finance, Human resource and Administration committee activities

The committee shall exercise all the powers of the BOG on financial matters except in relation to items which are reserved to BOG in these standing orders, on which the committee shall advice BOG.

Terms of Reference

The role of the committee shall be to monitor the financial status of the institute on behalf of BOG. In addition to advising BOG on those matters referred to above, the committee's responsibilities shall include:

1. To receive reports from the Principal and the Financial Officer.
2. To monitor the implementation of the strategic objectives of the institute.
3. To monitor and facilitate the implementation of the institutes strategy with regards to financial matters.

4. To receive reports of the extent and condition of the institute estate including efficiency of space utilization, energy consumption and adequacy of property insurance arrangements.
5. To consider the adequacy of the institute estate and proposal for its maintenance and development, including opportunities to dispose and acquire new properties.
6. To determine the fees and charges made for the institute services and facilities.
7. To supervise the financial administration of the institute and make recommendations to BOG where appropriate.
8. To ensure proper financial evaluation and control of projects.
9. To supervise the arrangements for investing the institute's funds.
10. To make recommendations to BOG on the financing of projects.

Key Entity Information and Management (Continued)

d. Institute Headquarters

P.O. Box 9-40506
Kebirigo, Kisii-Kericho Highway
Nyamira. KENYA.

e. Institute Contacts

Telephone: (254) 746211764
E-mail: Borabutti@gmail.com
Website: www.borabutti.ac.ke

f. Entity Bankers

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

Other Commercial Banks
Kenya Commercial Bank (KCB)
Nyamira Branch

P.O. Box 403-40500

Nyamira.

g. Independent Auditors

Auditor-General

Office of Auditor General

Anniversary Towers, Institute Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

h. Principal Legal Adviser

The Attorney General

State Law Office

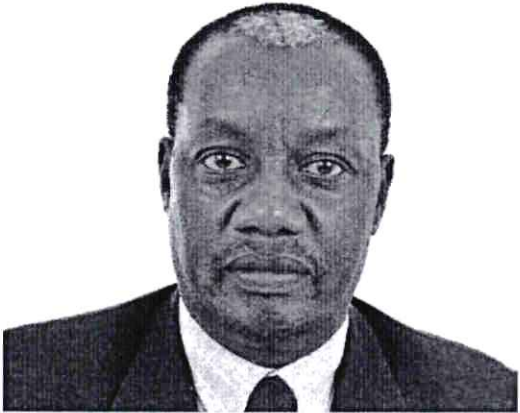
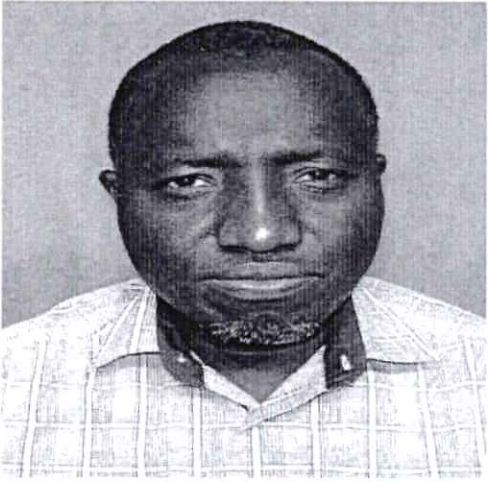
Harambee Avenue



P.O. Box 40112



City Square 00200

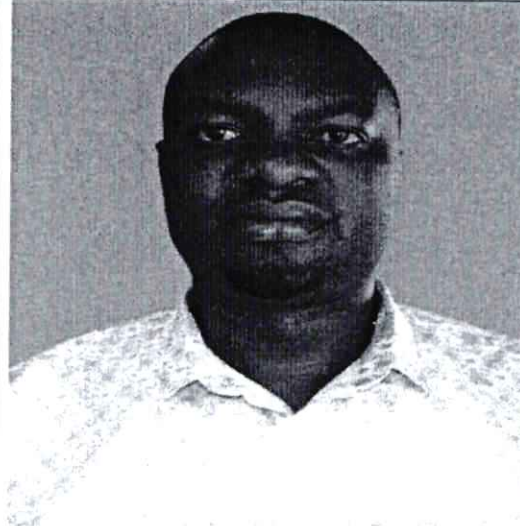

Nairobi, Kenya


II. The Council/Board of Governors

No.	Member/ Director	Details
1.	 <p data-bbox="408 987 927 1055">Mr. Julius Mosoti Nyamamba Council /BOG Chairman</p>	<p data-bbox="951 416 1498 1323">Julius was born on 19th June, 1963. He is a financial and risk management expert holding a Bachelor of Commerce degree (Accounting & Finance Option-University of Nairobi) and an MBA (Strategy and Finance) from the same University. He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Internal Auditors (Kenya Chapter). Currently Lead Consultant with Julmerc Management Consultancy, which offers services in strategic planning, management audit, risk management, finance and general management. He previously worked with leading organizations including Deloitte and Touche, Central Bank of Kenya, British American Tobacco Kenya, Lonrho Hotels Africa and Unga Group.</p>
2.	 <p data-bbox="408 1850 895 1917">Mr. Haron Morang'a Motari Council/BOG Member</p>	<p data-bbox="951 1357 1498 1883">Mr. Haron Motari was born on 2nd March 1980. He is a BOG Member in charge of Audit and Risk Committee. He holds a Master in Business Administration with specialization in Finance Option. Mr. Haron has over 17 years' experience in finance audit and taxation having worked with Coca cola, KTDA as accountant and currently having an Audit firm Hamo & Associates CPA. based in Kisii town</p>

<p>3.</p>	 <p>Ms. Muhanda Ashitsa Sylvia Council/BOG Member</p>	<p>Ms. Muhanda was born on 14th July 1992. She holds post graduate diploma from Kenya school of law and bachelor of law degree from Moi university. She is currently the vice president of the law society of Kenya-Kakamega chapter, member of Bar-bench Implementation committee Kakamega law courts, Board member of Bushangala Technical Training institute, committee member Ikolomani constituency Uwezo fund and council member Shiseso parish catholic church.</p>
<p>4.</p>	 <p>Dr. Stella Atieno Juma Council/BOG Member</p>	<p>Dr. Stella is a PHD holder in economics and planning from Maseno university. She has a masters of education and planning as well as bachelors' Degree in Education arts from Catholic University of Eastern Africa. She has taught various Universities and High schools and has been the head of education management and foundation department at Rongo university as well as contributing numerously in various organisation</p>

<p>5.</p>	 <p>Mr. Harry Njung'e Miring'u Council/BOG Member</p>	<p>Mr. Harry is a holder of Bachelors' degree in Geomatic Engineering and Geospatial information systems from JKUAT as well as diploma in Marketing Management from Kenya Institute of Management. He is a sales and distribution manager and also a member of Nakuru Countrywide Sanitation Technical Steering Committee(NACOSEC)</p>
<p>6.</p>	 <p>Mrs. Patricia Chepkirui Lasoi Council/BOG Member</p>	<p>Mrs. Patricia was born on 2nd April 1966. She is a holder of Masters of Arts Degree in Population studies from University of Ghana, postgraduate Certificate in Mass communication and Bachelor of Arts Degree (economics). She is also a consultant with United Nation women Entity for gender Equality and empowerment of women and has also served as the county executive committee Bomet county.</p>

<p>7.</p>	 <p>Mr. Gabriel Limo Magige Council/BOG Member</p>	<p>Mr. Gabriel was born on 16th May 1986. He holds a bachelor's degree in architecture as well as a bachelor's degree in architectural studies from The University of Nairobi. He is currently serving as Acting Deputy Director public works under the department of Roads, Transport and Public Works. He has also held position of superintending architect in the same department.</p>
<p>8.</p>	 <p>Mr. Tom Otieno Olang'o Regional TVET Director</p>	<p>Mr. Olang'o is the county director of Technical Education currently serving as the Regional Director of Technical and vocational Education and Training (TVET) in charge of Kisii, Nyamira, Migori and Homabay counties. He is a long serving Public servant with twenty-six years of experience. He is a holder of Master of Education in Curriculum studies from Nairobi University and currently concluding a PhD on the same at Kenyatta University. He has been engaged in several international assignments and he is currently the Ministry's Focal Point Person for skills Initiative for Africa Project by AUDA NEPAD. He brings to the Board latest Policy information and directives from the state department in the ministry.</p>



9.		<p>RESPONSIBILITY Principal/BOG Secretary</p> <p>QUALIFICATION</p> <ul style="list-style-type: none"> • Bachelor of science electrical and electronics engineering • Diploma in technical education from Kenya Technical Teachers College
<p>Mr. Yuvenalis Momanyi Omwocha Secretary to the Council/ Board</p>		



Board Committees

NAME OF COMMITTEE	MEMBERS
i. Finance Human resource and Administration committee	1. Ms. Patricia Lasoi- Chairperson 2. Mr. Gabriel Limo Magige 3. Dr. Stella Juma 4. Mr. Harry Miriku 5. Mr. Tom Otieno Olango
ii. Education Research & Training committee	1. Dr. Stella Juma-Chairperson 2. Mr. Harry Miriku

	3. Mr. Tom Otieno Olango
iii. Risk and Audit Committee	1. Mr. Haron Motari 2. Ms. Silvia Shitsama Ashitsa

III. Management Team

No.	Member/ Director	Details
1.	 Mr. Yuvenalis Momanyi Omwocha	<p>RESPONSIBILITY Principal/BOG Secretary</p> <p>QUALIFICATION</p> <ul style="list-style-type: none"> • Bachelor of science electrical and electronics engineering • Diploma in technical education from Kenya Technical Teachers College
2.	 Deputy Principal Mr. Benjamin Nyareki Ongoro	<p>RESPONSIBILITY Deputy Principal Academics</p> <p>QUALIFICATION</p> <ul style="list-style-type: none"> • Master in Business Administration (strategic management)

3.	 <p>Mr. Daniel Nyagechi Kaba</p>	<p>RESPONSIBILITY Registrar</p> <p>QUALIFICATION</p> <ul style="list-style-type: none"> • Bachelor of education Computer/Business studies • Bachelor of science Information Technology
4.	 <p>Ms. Daisy Abongo Nyasuna</p>	<p>RESPONSIBILITY Dean of Students</p> <p>QUALIFICATION</p> <ul style="list-style-type: none"> • Bachelor of education technology • (Electrical and electronics) • Diploma in Electrical Engineering(Power Option)

IV. Chairman's Statement

On behalf of the Institute Board of Governor, I am pleased to present to you the Borabu Technical Training Institute Annual Reports and Financial Statement for the year ended 30th June 2022. During the period, the institute continued to deliver on its core mandate of the provision of quality technical education and training (TVET) Research and community outreach that market drive and well aligned with the Country's Vision 2030 and Big Four Agenda.

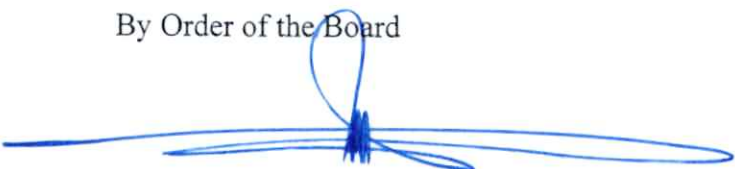
The government of Kenya has embarked on a comprehensive reform on technical and vocational training in order to develop a highly skilled manpower to provide the technical skills needed by industry. The national plans and other strategic priorities have consistently placed emphasis on development of skills that match industry requirement. Borabu Technical training Institute developed its strategic plan for 2021-2025 on the basis of the vision 2030 and the Big four Agenda of the government to promote the strategic direction for the institution during the five years to 2025.

The board recognizes with the much appreciation the critical role that TVETs play in the building of the foundation which will move this country to a fully industrialized economy.

During the Financial Year 2023/2024, the Institute projected to focus on increasing student enrollment, improvement of infrastructure and human resource to support teaching, learning and research. In that spirit of the institute initiated and completed various projects including rainwater harvesting; perimeter fencing of the institution compound; reinforcing workshops, laboratories and offices; and procuring training equipment. This has made the environment more conducive for learning.

Finally, I wish to acknowledge with gratitude the Government of Kenya, through the Ministry of Education for its good will and immense support to the institute as it strives to achieves its mandate through implementation of its strategic goal and objectives. I also wish to appreciate the vital support that we have continued to receive from the neighboring community, our development partners, students and other customers, staff and sponsors. The Board of Governors shall continue to provide the much-needed resources, advice and foresight to support the Institute and ensure it grows to the next level.

By Order of the Board



.....
Chairman to the Board of Governors
Borabu Technical Training Institute

Date: 21/5/2023

V. Report of the Principal

The higher education has had significant and dynamic changes in the recent past seeing the number of both public and private TVET institutions increase significantly. This has led to tremendous increase in access, quality, equity and relevance of Technical Training in line with vision 2030.

We are geared towards a steady growth in enrolment aimed at a target of 5,000 students which is in line with the ministry's directives. To actualize this we need financial support and goodwill from the government and development partners. This will enable us put adequate infrastructure and acquire state of the art equipment to accommodate and offer quality training to our trainees respectively.

We thank the government for the steady flow of quarterly capitation in supporting the programmes we offer. Our hopes are that this will continue to trickle down without any laps as was seen in the last quarter of the FY2021/2022

Projects

In the FY2021/2022 the Board of Governance managed to initiate and complete various projects within the institute to create a conducive learning environment for the trainees.

The projects include:

- Water harvesting
- Fencing of the college compound
- Reinforcing workshops, laboratories and offices
- Procuring training equipment
- Internet connectivity
- Academic Programmes

I am proud of our high calibre academic and administrative staff who have ensured that our services continue to be of high standards. This has contributed to the institute improving its pass rate.

Financial performance

The increased enrolment of students through government sponsorship and other various sponsors like Higher education loans board and constituency development fund has improved the institutes' recurrent revenue that led to an average financial performance during the year. However there is need for capitation development funding to enable the institute increase its infrastructure to cater for the increasing enrolment.

Growth prospects

The institute envisages opportunities for further growth in various academic programmes. The government's projections are for all institutions to enrol at least 5,000 students per year in order to meet the demands of our higher education sector. Accordingly, we will capitalize on the strengths of our programmes in order to increase the number of new courses that are relevant to industry needs.

Appreciation

On behalf of the management, I would like to express our sincere gratitude and appreciation to the government of Kenya and other stake holders for the unwavering support and advice we have received during the year.



.....
MR. YUVENALIS MOMANYI OMWOCHA
PRINCIPAL/SECRETARY BOG

VI. 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 entity’s performance against predetermined objectives.

Borabu TTI has 6 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2021- FY 2025. These strategic pillars are as follows:

1. To produce market oriented, skilled manpower
2. To undertake research and innovation
3. To provide quality learning environment
4. To enhance ICT integration in training and management of the institution
5. To achieve financial sustainability of Borabu Technical Training Institute to carry out its mandate
6. To enhance human capital capacity base of Borabu Technical Training institute

Borabu Technical Training Institute develops its annual work plans based on the above 6 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The institute achieved its performance targets set for the FY 2021/22 period for its xx strategic pillars, as indicated in the diagram below:

1. Produce market oriented, skilled manpower	Capacity building and in service of staff	Annual staff training reports	Develop training programmes for staff development	Presence of certificates
2. Undertake research and innovation	To train staff and trainees on research and development	Trained staff and trainees	Training of staff and trainees in research	
3. Provide quality learning environment	To undertake construction of new	4 class rooms constructed completion certificate	Construction of new lecture halls	Presence of certificates

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

	lecture halls			
4. Enhance ICT integration in training and management of the institution	To provide quality internet services	Contract agreement	Installation of high speed internet	Presence of the installed high speed internet and contract agreement
5. Achieve financial sustainability of Borabu Technical Training Institute to carry out its mandate	To improve on financial resource base	Projects funded Helb and Bursary funds received	Increasing enrolment to increase fee collection	Increased students population
6. Enhance human capital capacity base of Borabu Technical Training institute	To recruit staff in deficit areas	Number of PSC and Board staff Employed	Request to PSC for additional staff Advertisement for Staff by the BOG	Additional staff

VII. Corporate Governance Statement

The Board induction training meeting was held on 15th to 17th June 2022 at Kisumu Hotel. The mandate of the Board of Governors is stipulated in section 83 of the Public Finance and management act, 2012 and section 24 of the State Corporation Act and Section 29 of schedule 2 of the TVET act, 2013. It requires of the Board of Governors to ensure that the institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the institute. The Board of governors are also responsible for safeguarding the assets of the institute. Other responsibilities include

1. Maintaining adequate financial management arrangements and ensuring that it continues to be effective throughout the period
2. Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements as well as ensuring that they are free of material misstatement whether due to error or fraud.
3. Safe guarding assets of the institute
4. Selecting and applying appropriate accounting policies

VIII. Management Discussion and Analysis

Section A

Borabu TTI's operational and financial performance for the FY 2021/ 2022

Borabu TTI financial statements indicates that the institution is in good position as a going concern entity.

The cash and cash equivalent obtained from the cash flow statement, explains that the cash available in liquid form is mostly generated from operating activities.

The Board of governors are of the opinion that the financial statements give a true and fair view of the state of financial affairs of the institute.

Section B

In the FY2021/2022 the institute was in full compliance with the statutory requirements, in accordance with section 83(5) of the Public Finance Management and the IPSAS applicable for the preparation of the financial statements.

The Board further accepts responsibility for maintenance of accounting records that may be relied upon in preparation of the financial statements as well as adequate systems of internal financial controls.

Section C

Key projects the institute has initiated, planning and implemented.

During the financial year 2020/2021 the institute initiated and implemented the following projects.

Projects initiated/planning	Projects On-going	Projects implemented
Equipping the library	Construction of lavatories	Equipping the Institutional Management workshop with modern machines
Construction of New classrooms		Acquisition and installation of 4 10,000ltrs water tanks for water harvesting
		Fencing of the college compound
		Reinforcement of workshops. Laboratories and offices
		Installation of high speed internet in the institution

Risks and Opportunities Facing Borabu TTI

Opportunities	Threats
Access to students loans and bursaries from HELB, county and NGCDF	Wrangles concerning land ownership
High demand for technical skills	High cost of technical training equipment and tools
Positive perception of TVET by the public	Increased competition from mushrooming satellite universities and tertiary institutions
Location of the institution in close proximity to local industries	Political interference due to vested interests
Goodwill from the government in terms of legal and policy framework	Poverty

Borabu Technical Training Institute compliance with statutory requirements

Borabu Technical Training Institute complies with statutory deductions and remittances such as PAYE, NSSF, NHIF and Withholding VAT.

IX. Environmental and Sustainability Reporting Statement

Borabu Technical Training Institute exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

Sustainability strategy and profile

Key institute staff attended career days and workshops for head teachers in order to motivate and mentor students in high schools. These motivational talks are a permanent feature in our calendar of events every year and they ensure that the institute maintains a strong link with students who are aspiring to join institutes

Environmental performance

Environmental degradation has severe negative effects in the world. Therefore it is important for constant efforts to be made to conserve the environment around us. During the year the institute planted 1000 trees so as to increase forest coverage as well as conserve the environment

Employee welfare

The institute has developed a human resource policy to help in the recruitment of staff. The policy is gender sensitive and is in compliance with the third gender rule as per the government directives. Borabu TTI hold capacity building seminars annually to motivate them and improve staff morale. The institute is in the process of putting in place a safety policy in order to be in compliance with the occupational safety and Health Act of 2007. (OSHA)

X. Report of the Council/Board of Governors

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

Principal activities

The principal activities of the institute are to: offer competent Based technical Training, prepare and guide trainees, for evaluation and certification by appropriate examining bodies and promote Science, Technology and Innovation in all Training programs.

Results

The results of the institute for the year ended 30th June 2022 are set out on page 1 of these financial statements

Council/Board of Governors

The members of the current Board of Governors are shown on page vii to x. During the year 2021/2022 the tenure of the board that was in office came to an end and the new Board of Governors was appointed with effect from

Auditors

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

The Auditor General is responsible for the statutory audit of Borabu Technical Training Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the institute for the year/period ended June 30, 2022, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary of the Board of Governors

Borabu Technical Training Institute

Date: 2/5/2025.....

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

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

The Board members are responsible for the preparation and presentation of the institute's financial statements, which give a true and fair view of the state of affairs of the institute for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the institute, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Governors accept responsibility for the institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act, and the TVET Act. The council members are of the opinion that the institute's financial statements give a true and fair view of the state of institute's transactions during the financial year ended June 30, 2022, and of the institute's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the institute, which have been relied upon in the preparation of the institute's financial statements as well as the adequacy of the systems of internal financial control.

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

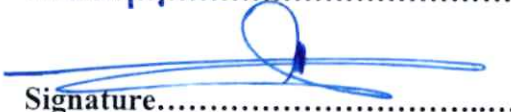
Nothing has come to the attention of the Board of Governors to indicate that the institute will not remain a going concern for at least the next twelve months from the date of this statement.

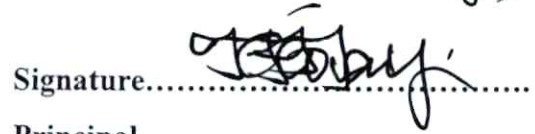
Approval of the financial statements

The institutes' financial statements were approved by the Board on _____ 2022 and signed on its behalf by:

Name Haron Motani

Name Dr. Were Mwangi, PhD


Signature.....


Signature.....

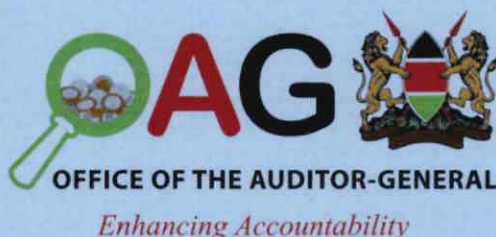
Chairperson of the Board of Governors

Principal

XII. Report of the Auditor General on BORABU TTI

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON BORABU TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

The accompanying financial statements of Borabu Technical Training Institute set out on pages 27 to 65 which comprise the statement of financial position as at 30 June, 2022

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Borabu Technical Training Institute as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Comparative Figures

The financial statements for the year ended 30 June, 2022 reflects comparative figures for the year ended 30 June, 2021. However, the financial statements for the year ended 30 June, 2021 were not submitted to the Office of the Auditor-General for audit.

In the circumstance, the accuracy, completeness and validity of the comparative figures could not be confirmed.

2. Inaccuracy in Depreciation and Amortization Expense

The statement of financial performance reflects depreciation and amortization expense of Kshs.7,982,445 as disclosed in Note 10 to the financial statements. However, the amount has not been reflected in Note 15 to the financial statements. Further, the amount has been reflected in duplicated Note 6 to the financial statements.

In the circumstances, the accuracy and completeness depreciation and amortization expense amounting to Kshs.7,982,445 could not be confirmed.

3. Inaccuracy of Current Receivables from Exchange Transactions

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.4,070,462 in respect of student debtors as disclosed in Note 13 (a) to the financial statements. The amount is an increase of Kshs.2,193,567 from the previous year balance of Kshs.1,876,895 or one hundred and seventeen percent (117%) increase. However, the ageing analysis of the receivables has not been disclosed in the financial statements and no provision has been made for impairments.

Further, the financial statements also reflect duplicated Notes 13 (a) for detailed analysis of cash and cash equivalents and receivables from non-exchange transactions. The Note has also not been presented in the recommended format.

In the circumstances, the accuracy, completeness and existence of receivables from exchange transactions balance of Kshs.4,070,462 could not be confirmed.

4. Inaccuracy in Receivables from Non-Exchange Transactions

The statement of financial position reflects receivables from non-exchange transactions balance of Kshs.4,020,000 as further disclosed in Note 13 (a) to the financial statements. However, the ageing analysis of the receivables has not been disclosed in the financial statements and no provision has been made for impairments.

Further, students' records indicating the date of admission, course undertaken, class, department, and year of exit were not provided for audit review.

In addition, Note 13 (a) to the financial statements has also not been presented in the recommended format.

In the circumstances, the accuracy, completeness and existence of receivables from non-exchange transactions balance of Kshs.4,020,000 could not be confirmed.

5. Inaccuracy of Property, Plant and Equipment

The statement of financial position reflects property, plant and equipment balance of Kshs.114,506,760, which differs with the balance reflected in Note 15 to the financial statements of Kshs.122,489,205, resulting in unexplained variance of Kshs.7,982,445. Further, property, plant and equipment is duplicated in Note 6 to the financial statements on page sixty-five (65) of the financial statements with a balance of Kshs.121,667,005 resulting in unexplained variance of Kshs.7,160,245

In addition, included in the property, plant and equipment balance of Kshs.122,489,205 reflected in Note 15 to the financial statements is land valued at Kshs.12,000,000. However, the title deed for the land had not been obtained. Physical verification revealed that the land had been encroached by a church and a private developer.

In the circumstances, the accuracy, completeness and existence of property, plant and equipment balance of Kshs.114,506,760 could not be confirmed.

6. Unsupported Trade and Other Payables from Exchange Transactions

The statement of financial position reflects trade and other payables from exchange transactions balance of Kshs.388,500, being deposit from students. However, the list of students owed and ageing analysis in support of the payables was not provided for audit review.

Further, explanatory Notes on the payables has also not been included in the financial statements.

In the circumstances, the accuracy, completeness and existence of trade and other payables from exchange transactions balance of Kshs.388,500 could not be confirmed.

7. Unsupported Payments Received in Advance

The statement of financial position reflects payments received in advance totalling Kshs.9,901,625. The amount has remained outstanding for over one year. However, the list of students and ageing analysis in support of the payables was not provided for audit review.

Further, explanatory Notes on the payables has also not been included in the financial statements.

In the circumstances, the accuracy, completeness and existence of the payments received in advance totalling Kshs.9,901,625 could not be confirmed.

8. Inaccuracy in Accumulated Deficit Balance

The statement of financial position reflects accumulated surplus/deficit balance of Kshs.10,884,768, which includes deficit for the year of Kshs.6,179,230 as reflected in the statement of changes in net assets. However, the deficit differs with the surplus of Kshs.1,006,157 reflected in the statement of financial performance resulting in unreconciled variance of Kshs.7,185,387.

In the circumstances, the accuracy and completeness of the accumulated deficit balance of Kshs.10,884,768 could not be confirmed.

9. Inaccuracy in the Statement of Cash Flows

The statement of cash flows reflects Nil purchase of property, plant and equipment, while Note 1 to the financial statements reflects additions to property, plant and equipment of Kshs.822,200 resulting in unexplained variance of Kshs.822,200.

Further, the statement reflects cash and cash equivalents at 30 September totalling Kshs.13,362,489. However, the statement of financial position reflects cash and cash equivalents totalling Kshs.6,177,102 as at 30 June, 2022 resulting in unexplained variance of Kshs.7,185,387.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Borabu Technical Training Institute Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other

ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects total income final budget and actual on comparable basis amount of Kshs.22,768,000 and Kshs.17,491,638 respectively resulting to underfunding of Kshs.5,276,362 or twenty-three percent (23%) of the budget. Similarly, the statement reflects actual total expenditure amount of Kshs.15,649,492 against actual receipts of Kshs.17,491,638, resulting to an under-absorption of Kshs.1,842,146 or eleven percent (11%) of the receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

Management is responsible for the other information set out on page 4 to 26 which comprise of Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board of Governors, and Statement of Board of Governors' Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Non-Compliance with Law on Ethnic Composition.

Review of human resource records revealed that the college has seventeen (17) employees out of which fifteen (15) or 88% of the employees are members of the dominant ethnic community. This is contrary to section 7 (2) of the National Cohesion and Integration Act, 2008 which states that no public institution shall have more than one-third of its staff establishment 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 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

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

Basis for Conclusion

Lack of Internal Audit Function

The College had not established an internal audit function for oversight of the operations of the Management. This was contrary to Section 73 (1) (a) of the Public Finance

Management Act, 2012 which states that a National Government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

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

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

Responsibilities of Management and the Board of Governors

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

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

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

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

The Board of Governors is responsible for overseeing the College'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 ISSAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

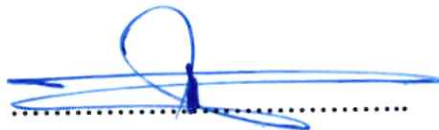
19 May, 2025

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

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

7 Statement of Financial Performance For The Year Ended 30 June 2022

		2021-2022	2020-2021
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	5	11,389,000.00	6,258,501.00
Total transfer from other government entities		11,389,000.00	6,258,501.00
Revenue from Exchange transactions			
Rendering of services- fees from students	6	16,176,042.00	7,681,606.00
Revenue from Exchange transactions		16,176,042.00	7,681,606.00
Total Revenue		27,565,042.00	13,940,107.00
Expenses			
Use of goods and services	7	11,964,460.00	1,800,813.00
Employee costs	8	4,634,280.00	1,031,343.00
Board /Council Expenses	9	1,977,700.00	864,300.00
Depreciation and amortization expense	10	7,982,445.00	7,982,445.00
Finance costs (bank charges)	11	-	-
Total Expenses		26,558,885.00	11,678,901.00
Net surplus/(deficit) for the year		1,006,157.00	2,261,206.00



Chairman of Council/Board

Date: 2/5/2025



Finance Officer

ICPAK No 33237

Date: 2/5/2025



Principal

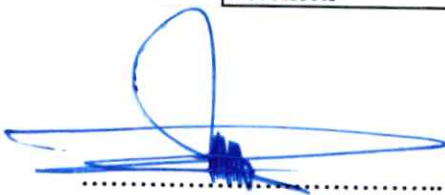
Date: 2/5/2025

BORABU TECHNICAL Training College
Annual Report and Financial Statements for the year ended 30th June 2022

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

15. Statement of Financial Position As At 30th June 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	12	6,177,102.00	4,373,887.00
Current portion of receivables from exchange transactions	13(a)	4,070,462.00	1,876,895.00
Receivables from non - exchange transactions	13(B)	4,020,000.00	4,632,500.00
Inventories	14	559,733.00	208,680.00
Total Current Assets		14,827,297.00	11,091,962.00
Non-Current Assets			
Property, plant, and equipment	15	114,506,760.00	114,506,760.00
Total Non-Current Assets		114,506,760.00	114,506,760.00
Total Assets (A)		129,334,057.00	125,598,722.00
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	17	388,500.00	388,500.00
Payments received in advance	18	9,901,625.00	9,901,625.00
Total Current Liabilities		10,290,125.00	10,290,125.00
Non-Current Liabilities			
Deferred income			
Total non- current liabilities		-	-
Total Liabilities (B)		10,290,125.00	10,290,125.00
Net Assets (A-B)		119,043,932.00	115,308,597.00
Represented By:			
Revaluation Reserves		129,928,700.00	129,928,700.00
Accumulated Surplus		(10,884,768.00)	(4,329,978.00)
Capital Fund			
Net Assets		129,334,057.00	125,598,722.00



Chairman of Council/Board

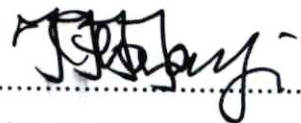
Date: 2/5/2025



Finance Officer

ICPAK No 33871

Date: 2/5/2025



Principal

Date: 2/5/2025

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

9 Statement of Changes in Net Assets for the period ended June, 2022

As at July 1, 2021	(4 705 538.00)	129,928,700.00	-	125,223,162.00
Surplus/ deficit for the period	(6 179,230.00)	-	-	(6,179,230.00)
Returns to exchequer	-	-	-	-
Additions to reserves	-	-	-	-
Other changes (specify)	-	-	-	-
As at 30th June , 2022	(10,884,768.00)	129,928,700.00	-	119,043,932.00

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

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

17 Statement of Cash Flows For The Year Ended 30 June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	5	11,389,000.00	6,258,501.00
Rendering of services- fees from students	6	16,176,042.00	7,681,606.00
Total Receipts		27,565,042.00	13,940,107.00
Payments			
Use of goods and services	7	11,964,460.00	1,800,813.00
Employee costs	8	4,634,280.00	1,031,343.00
Board /Council Expenses	9	1,977,700.00	864,300.00
Finance costs	11		
Total Payments		18,576,440.00	3,696,456.00
Cash Generated from operations		8,988,602.00	10,243,651.00
Cash Generated from operations		8,988,602.00	10,243,651.00
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets			
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		-	-
Net cash flows used in financing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents		8,988,602.00	10,243,651.00
Cash and Cash equivalents at 1 July	17	4,373,887.00	4,373,887.00
Cash and Cash equivalents at 30 Sep	17	13,362,489.00	14,617,538.00



Chairman of Council/Board

Date: 2/5/2025



Finance Officer

ICPAK No 23871

Date: 2/5/2025



Principal

Date: 2/5/2025

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

	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other govt entities and govt grants TVET CAPITATION	12,000,000.00	(0)	12,000,000.00	11,210,000.00	790,000.00	7.04%
Public contributions and donations CDF	200,000.00	(0)	200,000.00	179,000.00	-21,000.00	-11.73%
Rendering of services- fees from students/HELB	10,568,000.00	(0)	10,568,000.00	6,102,638.00	4,465,362.00	73.17%
Sale of goods	0	-	0	0	(0)	0%
Finance income	0	-	0	0	0	0%
Other income	0	-	0	0	0	0%
Gains on disposal, rental income and agency fees	0	0	0	0	(0)	0%
Total Income	22,768,000.00	0	22,768,000.00	17,491,638.00		
Expenses						
Compensation of employees	2,721,768.00	-	2,721,768.00	2,634,280.00	(87,488)	3.32%
Use of goods and services	18,046,232.00	(0)	18,046,232.00	11,037,512.00	(7,008,720)	112.8%
Finance costs	0	(0)	0	0	(0)	0%
Rent paid	0	(0)	0	0	-	0%
Board/Council Expenses	2,000,000.00	(0)	2,000,000.00	1,977,700.00	(22,300)	1.13%
Grants and subsidies paid	0	-	0	0	-	0%
Total Expenditure	22,768,000.00	(0)	22,768,000.00	15,649,492.00	(7,118,508.00)	80.26%

XVIII. Notes to the Financial Statements

1. General Information

Borabu Technical Training Institute is established by and derives its authority and accountability from Public Finance Management Act. The institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is Vocational and technical training.

2. Statement of Compliance and Basis of Preparation

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

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

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity’s future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting</p>

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

	<p>Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> The nature of such social benefits provided by the Entity; The key features of the operation of those social benefit schemes; and The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p>Applicable: 1st January 2023:</p> <ol style="list-style-type: none"> Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
Other	<p><i>Applicable 1st January 2023</i></p>

<p>improvements to IPSAS</p>	<ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits</i> • Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023. <p><i>State the impact of the standard to the Entity if relevant</i></p>
<p>IPSAS 43</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>

BORABU TECHNICAL TRAINING INSTITUTE
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<p>iii. Early adoption of standards</p> <p>Borabu TTI did not early-adopt any new or amended standards in year 2022.</p> <p>4. Summary of Significant Accounting Policies</p> <p>a) Revenue recognition</p> <p>i. Revenue from non-exchange transactions</p> <p>Transfers from other government entities</p>	<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>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.</p> <p><i>State the impact of the standard to the Entity if relevant</i></p>
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Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

ii. Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Council or Board on **xxxx**. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded additional appropriations of **xxxx** on the FY 2021/2022 budget following the Council/ Board's approval.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section **xxx** of these financial statements.

c) Taxes

Current income tax

The institute is exempt from paying co-operate tax since it is a semi-autonomous Government agency established to carry out the mandate of the government from whom it receives funds to carry out this mandate.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of xxx years.

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

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

e) Property, plant and equipment

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

Land and building are not depreciated.

Depreciation on property, plant and equipment is recognized in the income statement on Reducing balance basis over the estimated useful lives of the assets. The annual rates are:

Land	Nil
Buildings	Nil
Computer, Computer Accessories and Infrastructure	30%
Motor Vehicle	25%
Furniture, Fittings and Equipment	12.5%

A full years' depreciation charge is recognised both in the year of asset purchase and in the year of asset disposal.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not

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capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite

h) Research and development costs

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

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

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

j) Inventories

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

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

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

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

k) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

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Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. *(Entity to state the reserves maintained and appropriate policies adopted).*

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

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

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

o) Foreign currency transactions

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

p) Borrowing costs

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

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

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

s) Cash and cash equivalents

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

t) Comparative figures

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

u) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Entity'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 Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

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

5(a) Transfers from other National Government entities Other levels of government		
Unconditional Grants		
Capitation Grants	6,577,500.00	6,258,501.00
Operational Grant		
HELB ,Kisii Poly	4,811,500.00	
Total unconditional Grants	11,389,000.00	6,258,501.00
Conditional Grants amortised/ recognised in revenue		
Condiional Grant	-	-
Total Conditional Grants		
Total Government Grants and Subsidies	11,389,000.00	6,258,501.00

6 RENDERING OF SERVICES

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	8,126,089.00	6,517,351.00
Electricity, Water and Conservancy	1,020,266.00	138,667.00
Personnel Emoluments	4,108,207.00	503,466.00
Local Transport and Travel	1,006,450.00	149,334.00
Repairs, Maintenance and Improvement	606,000.00	149,334.00
Activity Fees	1,250,330.00	186,454.00
Industrial Attachment Fees	58,700.00	37,000.00
Total Revenue from The Rendering of Services	16,176,042.00	7,681,606.00

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7 Use of goods and services		
Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching and learning materials	1,297,359.00	30,000.00
Industrial attachment costs	958,700.00	37,000.00
Electricity water and conservancy	106,466.00	118,200.00
Outsourced Security Services	270,600.00	304,200.00
Subscriptions	1,783,695.00	221,905.00
Examination Expenses	1,185,030.00	254,700.00
Production Unit Expenses		
Travelling and accommodation	1,752,900.00	431,900.00
Printing and stationery	584,597.00	105,200.00
Office Cleaning and Sanitation		
Telephone and Postage expenses	7,725.00	24,230.00
Internet expenses	377,922.00	31,723.00
Staff Training and Capacity building		
Medical expenses	246,940.00	50,000.00
General administrative Expenses	1,471,059.00	191,755.00
Activity expenses	1,921,467.00	-
Sifa Counterpart expenses		
Total good and services	11,964,460.00	1,800,813.00

8 Employee Costs

Salaries and wages	4,634,280.00	1,031,343.00
PAYE	-	-
NITA Levy	-	-
NHIF	-	-
NSSF	-	-
HELB	-	-
Housing Levy	-	-
Employee Costs	4,634,280.00	1,031,343.00

9 Board /Council Expenses

Chairman's Honoraria	23,200.00	75,000.00
Directors Emoluments	1,954,500.00	789,300.00
Total	1,977,700.00	864,300.00

10 Depreciation and Amortization expense

Description	2021-2022	2020-2021
	Kshs	Kshs
Property, plant and equipment	7,982,445.00	7,982,445.00
Intangible assets	-	-
Total depreciation and amortization	7,982,445.00	7,982,445.00

11 Bank Charges

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Charges	-	-
Total bank charges	-	-

12 Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs	Kshs
Current Account	6,177,102.00	4,373,887.00
Total Cash and Cash Equivalents	6,177,102.00	4,373,887.00

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

a) Current Account		
BTTI- Kenya Commercial Bank-acc	6,177,102.00	4,373,887.00
Sub- Total	6,177,102.00	4,373,887.00
b) Others(<i>Specify</i>)		
Cash in Hand		
Sub- Total	-	-
Grand Total	6,177,102.00	4,373,887.00

13 Receivables from Exchange transactions

(a) Current Receivables from Exchange transactions

Description	2021/2022	2020-2021
	Kshs	Kshs
Current Receivables		
Student Debtors	4,070,462.00	1,876,895.00
Other Exchange Debtors		
Total Current Receivables	4,070,462.00	1,876,895.00

13 (a) Receivables from Non-Exchange transactions

Description	2021/2022	2020-2021
	Kshs	Kshs
Current Receivables		
Capitation Grants*	4,020,000.00	4,632,500.00
Transfers from Other Govt. entities		
Undisbursed Donor Funds	-	-
Other Debtors (Non-Exchange Transactions)		
Less: Impairment Allowance	-	-
Total Current Receivables	4,020,000.00	4,632,500.00

14 Inventories

Consumable stores	559,733.00	208,680.00
Maintenance stores	-	-
Health Unit stores	-	-
Electrical stores	-	-
Cleaning Materials stores	-	-
Catering stores	-	-
Less: Impairment allowance		
Total Inventories at lower of Cost and Net Realizable Value	559,733.00	208,680.00

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Notes to the Financial Statements (Continued)

15 Right of Use of Assets

	land	Buildings	furniture and fittings	computers	Plant and equipment	Total
depreciation rates	0	2.50%	12.50%	30%	12.50%	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cost as at 2018	12,000,000	55,000,000	1,000,000	2,520,000	90,000,000	160,520,000
NBV As at 1 July 2021	12,000,000	55,000,000	890,418	605,052	53,171,535	121,667,005
Additions		347,700		-	474,500	822,200
As at 30 June 2022	12,000,000	55,347,700	890,418	605,052	53,646,035	122,489,205

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6. Property, Plant and Equipment

	Land and Buildings	Furniture and fittings	Computers	Other Assets (water tanks)	Plant and Equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2018	67,000,000.00	1,000,000.00	2,520,000.00	0	90,000,000.00	160,520,000.00
Additions	0	0	-			0
Disposals	0	0	-	0	-	0
Transfers/Adjustments(Depreciation)	0	(234,375.00)	(1,285,200.00)	0	(21,093,750.00)	(22,613,325.00)
At 30th June 2020	67,000,000	765,625.00	1,234,800.00	0	68,906,250.00	137,906,675.00
Additions	0	0	-	0	0	0
Disposals	(0)	-	-	(0)	-	(0)
Transfer/Adjustments (Depreciation)	(0)	95,704.00	(370,440.00)	(0)	(8,613,281.00)	0
At 30th June 2021	67,000,000	669,921.00	864,360.00	0	60,292,969.00	128,827,250.00
Depreciation And Impairment						
Additions	0	347,700.00	0	317,000.00	157,500	822,200.00
Depreciation	(0)	(127,203.00)	(259,308.00)	(39,625.00)	(7,556,309.00)	(7,982,445.00)
Disposal	(0)	-	-	(0)	-	(0)
At 30 June 2022	67,000,000	890,418.00	605,052.00	277,375.00	52,894,160.00	121,667,005.00
Net Book Values	67,000,000	890,418.00	605,052.00	277,375.00	52,894,160.00	121,667,005.00

Notes to the Financial Statements (Continued)

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