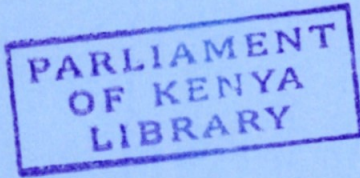


REPUBLIC OF KENYA



REPORT

OF




THE AUDITOR-GENERAL

ON

**EMURUA DIKIRR TECHNICAL TRAINING
INSTITUTE**

**FOR THE YEAR ENDED
30 JUNE, 2025**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 APR 2026	DAY: WEDNESDAY
TABLED BY:	HON. DR. ROBERT PUKOSE, MP
CLERK AT THE TABLE:	CHRISTINE NDIRITU



EMURUA DIKIRR TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

(a) Background information

Emurua Dikirr Technical Training Institute was incorporated/ established under the TVET Act on 1st September 2019. The Emurua Dikirr Technical Training Institute is domiciled in Kenya and is under the Ministry of Education. The institute has five departments namely:

- Electrical and Mechanical Engineering
- Computing and Informatics
- Business and Liberal Studies
- Hospitality
- Building and Construction
- Applied Sciences

(b) Principal Activities

The principal activity/mission/ mandate of the Emurua Dikirr Technical Training Institute is to offer quality technical training to the trainees.

Vision:

An institute of global excellence in Technical and vocational training, research and entrepreneurship for sustainable development

Mission:

To train quality and competent manpower that responds to dynamic needs of our community

Core values:

- Team work
- Integrity and ethics
- Equity
- Environmental stewardship

Core Objectives:

- Achieve and maintain a level of quality training which enhances the Emurua Dikirr Technical Training Institutes' reputation with customers
- Ensure compliance with TVET act of 2013 and other relevant statutory and regulatory requirement
- Guarantee customer satisfaction in the provision of our services

(c) Key Management

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

- Board of Management.
- Accounting officer/ Principal

- Management.

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	David Busienei
2.	Deputy principal Finance	Ochieng Odek
3	Deputy principal Academics	Samuel Langat
4	Registrar	Charles Mitei
5	Dean of students	Joseah Ronoh
6	Head of Finance	Kibet Kirui
7	Head of Procurement	Sheilah Chelangat
8	Head of department	Nelly Chepkwony
9	Head of department	Cheruiyot Wesley
10	Head of department	Telekwa Seriani
11	Head of department	Wesley Yegon
12	Head of department	Peter Kirui
13	Head of department	Josephat Kosgey
14	Head of department	Joyce Ouma
15	Head of department	Philip Gisairo
16	Head of department	Silah Limo

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Audit and risk committee activities

- Periodic meeting with Internal Auditor in regards to control measures in the Institution.
- Advising the board on implementation of control measures.
- Reviewing internal control measures.
- Reviewing the audit reports.

Finance and operations committee activities

- Review of annual budgets
- Development and Review of finance policy
- Review of financial reports
- Mobilization of resources

Academic committee activities

- Determine the strategic direction of Training and Research of the Institute
- Oversee and monitor the processes for the maintenance and improvement of quality and delivery of skills provision and the conduct of research and innovations development

(f) Entity Headquarters
Emurua Dikirr Technical Training Institute

P.O. Box 180-20401

Chebunyo, Kenya

(g) Entity Contacts

Emurua Dikirr Training Institute
The Principal
P.O. Box 180-20401
Chebunyo, Kenya
Telephone: +254740555123/0729461641
E-mail: emuruadikirrtti2019@gmail.com
Website: www.edtti.ac.ke

(h) Entity Bankers

Kenya Commercial Bank
Sotik Branch
Account no 1284366227

Equity bank
Sotik branch
Account no 1840281093726

(i) Independent Auditors

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





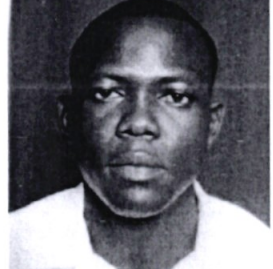
Key Entity Information and Management (Continued)

(j) Principal Legal Adviser





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

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3.The Board of Governors








No.		Member/ Director	Details
1.		Philip Cheruiyot Chairman	Date of Birth:1 st July 1967 Qualification: Masters in Business Management Work experience:17 years in banking industry focusing on micro, small and medium business development and banking operations, 10 years in civil service. Committee: None
2.		Augustine Cheruiyot Member	Date of Birth:28 th December, 1968 Qualification: Economist Work experience: 30yrs Committee: Audit, Education & Research
3.		Dr.Nelly Mutai Member- Industry	Date of Birth:18 th October 1990 Qualification: PHD-Business Administration Work experience:10 years Committee: Education and Research
4.		Tom Anode Independent Member	Date of Birth:20 th January 1959 Qualification: Graduate Teacher Work experience: Over 30 Years Committee: Audit, Education and Research
5.		Calvince Odhiambo Member	Date of Birth: 12 th September, 1985 Qualification: CPAK Work experience: 12 Yrs Committee: Audit and Finance

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6.		<p>Sharon Sabato Member</p>	<p>Date of Birth: 25th January, 1992 Qualification: M.A Project Management Work experience: 12 Yrs Committee: Audit and Finance</p>
7.		<p>Peter Cheruiyot Member</p>	<p>Date of Birth: 1972 Qualification: MED (Economics and Planning) Work experience: 28 yrs Committee: Education & Research and Finance</p>
8.		<p>Gedion Ngumi Member</p>	<p>Date of Birth: 1993 Qualification: B.Sc (Civil Engineering) Work experience: 9 Yrs Committee: Finance</p>
9.		<p>David Busieneri- Secretary to the board</p>	<p>Date of Birth: 9th July, 1976 Qualification: B.Ed Tech Work experience: 18 Yrs Committee: Education & Research, Finance Not a member of ICS</p>

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4. Key Management Team

No.		Member	Details
1.		David Busienei	Main area of responsibility: Principal/Accounting Office
2.		Ochieng Odek	Main area of responsibility: D/Principal Administration.
3.		Samuel Langat	Main area of responsibility: Deputy Principal Academics
4.		Charles Mitei	Main area of responsibility: Registrar
5.		Joseah Ronoh	Main area of responsibility: Dean of Students.
5.		Kibet Kirui	Main area of responsibility: Head of Finance
6		Sheilah Chelangat	Main area of responsibility: Head of Procurement

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7		Wesley Yegon	Main area of responsibility: Performance contracting
8		Cheruiyot Wesley	Main area of responsibility: department
9		Peter Kirui	Main area of responsibility:
10		Joyce Ouma	Main area of responsibility:
11		Nelly Chepkwony	Main area of responsibility:
12		Telekwa Seriani	Main area of responsibility: H

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13		Josephat Kosgey.	Main area of responsibility: HOD: Agriculture.
12		Philip Gisairo	Main area of responsibility: H.O.D Building and Construct
14		Silah Limo	Main area of responsibility: HOD: Electrical and Mechanic

5. Chairman's Statement

During the financial year 2024/2025 Emurua Dikirr Technical Training Institute implemented several key development activities in line with its mandate and strategic goals. The Institute focused on strengthening its infrastructure, enhancing the learning environment, and increasing institutional visibility as part of its strategic development agenda.

During the reporting period, the following major activities were prioritized and implemented:

- i. Acquisition of training materials and equipment
- ii. Tiling of administration offices
- iii. Installation of laboratory facilities
- iv. Construction of the main gate
- v. Construction of dairy shed
- vi. Acquisition of an institution bus
- vii. Marketing and promotion of the institution

These activities were funded through a combination of government capitation and fees collected from enrolled students. However, implementation was not achieved at full scale due to a number of challenges, the most critical being the delayed or non-remittance of expected government capitation. Additionally, the prevailing economic conditions in the country adversely affected students' ability to pay fees on time, leading to irregularities in revenue collection.

Despite these constraints, the Institute made commendable progress in executing its development agenda. The Board of Management has remained committed to financial accountability and compliance with established legal frameworks and financial regulations. In line with this, the Board continues to adopt and implement financial controls and guidelines as provided under: The Public Finance Management (PFM) Act, 2012
The Public Procurement and Asset Disposal Act, 2015
Section 14 of the State Corporations Act

Section 29 of Schedule 2 of the Technical and Vocational Education and Training (TVET) Act, 2013

In this regard, the Institute has prepared its financial statements in accordance with the International Public Sector Accounting Standards (IPSAS), and in conformity with the relevant statutory requirements mentioned above. The financial statements provide a true and fair view of the financial position and performance of the Institute for the year ended 30th June 2025.

As a chairman of the Board, we affirm our responsibility in ensuring that proper accounting records are maintained. These records allow for accurate disclosure of the financial position of the Institute. We also acknowledge our duty in safeguarding the assets of the institution and maintaining robust internal financial controls.

In view of the foregoing, the Board accepts full responsibility for the financial statements of Emurua Dikirr Technical Training Institute. These statements have been prepared using appropriate accounting policies, supported by reasonable and prudent judgments and estimates. We are confident that the financial statements reflect the actual financial operations and standing of the Institute as at the close of the financial year.

Emurua Dikirr Technical Training Institute
Annual Report and Financial Statements for the year ended 30th June 2025

We further confirm the completeness and accuracy of the accounting records maintained, and the adequacy of the internal financial control systems which formed the basis for the preparation of these financial statements.

MR. PHILIP CHERUIYOT
CHAIRMAN BOM
EMURUA DIKIRR TECHNICAL TRAINING INSTITUTE.

SIGN  DATE 28/11/2025

6. Report of the Principal

Emurua Dikirr Technical Training Institute is a Public Technical Training Institute located in Narok County and started its operations in September 2019. It is among the TVET Institutes that were launched by the Government in order to achieve social pillar of Vision 2030 by ensuring equal opportunity and access to Technical and Vocational Education and Training.

It is committed to providing professional quality technical training to equip the trainees with employable skills and make them productive citizens that will propel our nation to prosperity in the field of Science, Technology, Engineering, Agriculture and innovations.

The institute offers courses in the fields of Engineering, Science, Hospitality and Business and it boasts of qualified staff and modern training equipment in all fields.

The term for the first Board expired on 14th of October, 2023 and the current Board of Management was inaugurated on 2nd May, 2024.

During the period July 2024-June 2025, Emurua Dikirr Technical Training Institute was able to undertake the following activities;

- Acquisition of training materials and instructional equipment
- Marketing and promotion of the institution to increase enrolment and regional visibility
- Construction of the college main gate, enhancing security and branding
- Laboratory installation to strengthen science and technical training capacity
- Tiling of administration offices, improving the working environment for staff
- Construction of a dairy shed as part of an agricultural development and income-generating initiative

During the financial year 2024/2025 Emurua Dikirr Technical Training Institute receive student capitation of Kshs 13,936,155 and fees from students amounting to KShs. 22,680,679. Other sources of revenue sale of goods amounting to Kshs. 1, 920, lease of space at kshs 369,000 and NG-CDF Kshs 9,700,000.

Some assets in the Emurua Dikirr Technical Training Institute such as land have been assigned an estimated value based on the current market rates within the locality. The institution has initiated the process of acquiring title deed for the land through the Ministry of Lands and has been allocated parcel number.

Fees collection has been a big challenge since the college is located in a hardship area where the locals are mainly peasant farmers. We have been able to overcome this challenge by encouraging the trainees to apply for HELB TVET Loans and majority of them have benefited from this initiative.

Emurua Dikirr Technical Training Institute
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This is our fourth Financial Report to be presented to the Auditor General's Office and the team that came up with the report consulted widely with the relevant parties and accounting professionals in the Board of Emurua Dikirr Technical Training Institute to come up with a credible document. The Financial Report is a product of continuous consultation with Audit and Finance Committees that was established by the Board to review internal audits and controls in Emurua Dikirr Technical Training Institute.

I therefore trust that this financial report reflects the true records and status of our organisation for the period under review.

MR. DAVID BUSIENEI
PRINCIPAL/ SECRETARY-BOM
EMURUA DIKIRR TECHNICAL
TRAINING INSTITUTE.

SIGN  DATE 28.11.2025

Emurua Dikirr Technical Training Institute
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7. Statement of Performance against Predetermined Objectives

Emurua Dikirr Technical Training Institute (EDTTI) current Strategic Plan 2021-2025 has 4 strategic pillars upon which the college's activities are founded namely;

Strategic issue 1: Quality Training for Sustainable Development

Strategic issue 2: Infrastructural development

Strategic issue 3: Resource Mobilization and Management

Strategic issue 4: To establish and strengthen research and innovation development

EDTTI develops its annual work plans based on the above 4 strategic issues. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. EDTTI achieved its performance targets set for the FY 2024/25 period as indicated in the diagram below:

Strategic Pillars		Objective	Key Performance Indicators	Activities	Achievements
Pillar 1	Quality Training for Sustainable Development	To offer accessible, flexible and responsive quality training.	<ul style="list-style-type: none"> No of programs launched and implemented Train staff online training approaches and Techniques Train Quality Assurance Team 	<ul style="list-style-type: none"> Adopt and implement existing and approved CBET courses Install E-learning system HODs/HOS trained on ODeL platforms MIS module expanded Implement and maintain quality service delivery 	<ul style="list-style-type: none"> 28 courses implemented To add for CBET ODeL learning platform initiated Staff Trained on quality Assurance Schemes
	Infrastructural Development		<ul style="list-style-type: none"> Gate construction Master Plan in place Dairy shed 	<ul style="list-style-type: none"> Tiling of administration offices Install network connectivity Construct college gate 	<ul style="list-style-type: none"> Gate construction on progress Master plan developed. Tiling was

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Pillar 2	To expand and establish adequate training facilities	constructed	<ul style="list-style-type: none"> • Tiling • Lab installation 	<ul style="list-style-type: none"> • Develop a master plan • Installation of lab equipment 	completed	<ul style="list-style-type: none"> • Dairy shed constructed. • Lab equipment installed
	To acquire adequate training equipment and tools	<ul style="list-style-type: none"> • Number of training equipment and tools procured 	<ul style="list-style-type: none"> • Acquire electrical and electronic engineering training machines and tools • Acquire automotive engineering training machines and tools • Acquire building and civil engineering training machines and tools • Acquire plumbing technology training machines and tools • Acquire science laboratory training machines and tools • Acquire ICT 	<ul style="list-style-type: none"> • Electrical Engineering Training materials acquired • Automotive Engineering Training. Materials acquired, training equipment yet to be acquired • Plumbing Training materials acquired • Science Lab training materials acquired • 100 computers donated and Installed for ICT training • Hospitality management training materials acquired 		

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				<p>training equipment and tools</p> <ul style="list-style-type: none"> Acquire food and beverage training machines and tools 	
		To improve students' welfare and enhance student leadership skills	Pitches upgraded	<ul style="list-style-type: none"> Construct football goal posts Construct Netball goal posts Construct Volleyball goal posts Construct handball goal posts Upgrade hockey pitch 	<ul style="list-style-type: none"> Goal Posts for all the projected games acquired
Pillar 3	Resource Mobilization and Management	To recruit and maintain qualified staff	<ul style="list-style-type: none"> Number of qualified staff maintained Number of trainings conducted Working environment improved 	<ul style="list-style-type: none"> Maintain qualified staff Conduct capacity building for staff Solicit for more staff from public service Introduce performance appraisals 	<ul style="list-style-type: none"> 40 staff maintained Number of capacity building training conducted Performance appraisal maintained 10 Staff working tables

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				<ul style="list-style-type: none"> Improve working environment 	acquired
		To mobilize and manage financial resources efficiently and effectively.	<ul style="list-style-type: none"> MIS finance Module Installed operationalize 	<ul style="list-style-type: none"> MIS finance Module Installed operationalize 	<ul style="list-style-type: none"> Finance module, HR module and Procurement module installed
		To adopt alternative natural resource utilization	<ul style="list-style-type: none"> To install solar panels 	<ul style="list-style-type: none"> Installation of solar panels for backup power and lighting system Replace and maintain all lighting system with LED Install water harvesting system 	<ul style="list-style-type: none"> Solar panels not installed LED lighting systems not installed
Pillar 4	Research and Innovation Development	To establish and strengthen research and innovation development	<ul style="list-style-type: none"> Maintain Department of Research Capacity build members on Research and Innovations development 	<ul style="list-style-type: none"> Department of research and innovation development maintained Build EDTTI staff capacities in terms of research methodologies and innovation development. Promote or encourage participation of EDTTI in local, regional and international fairs. 	<ul style="list-style-type: none"> 3 staff trained on Research and innovations development schemes Staff sensitized on Research and innovations development
		To foster partnership with local and global	<ul style="list-style-type: none"> Number of collaborations and partnership 	<ul style="list-style-type: none"> To strengthen collaboration and partnerships both locally and 	<ul style="list-style-type: none"> 2 collaborations with industries

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		communities	<ul style="list-style-type: none"> Number of affiliations and memberships entered into Number of benchmarking conducted 	<ul style="list-style-type: none"> internationally with industries, institutions and development partners. Promote formation of local and international affiliations and membership Benchmark with other relevant institutions with best practices 	established
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8. Corporate Governance Statement

The procedure for the appointment of the Board members followed the guidelines as provided for in the TVET ACT 29 of 2013, Second schedule. In which case,

(1) The Board of Management of Emurua Dikirr Technical Training Institute shall consist of not less than seven and not more than nine members appointed by the Cabinet Secretary. (2) The membership of the Board of Management shall comprise— (a) a chairperson; (b) a representative of the Principal Secretary in the Ministry responsible for technical and vocational training, (c) a representative of the county Governor of the county within which the Emurua Dikirr Technical Training Institute is located; and (d) six other persons appointed on the basis of their knowledge and experience in— (i) leadership and management; (ii) financial management; (iii) technology; (iv) industry; (v) engineering; (vi) information communication technology.

The guidelines for the removal from office of the Board Members are also defined in the TVET ACT 29 of 2013 second Schedule (8) and (9). In which case,

(8) (1) A member of a Board of Management may at any time resign by giving notice in writing to the cabinet Secretary. (2) A person giving notice under subparagraph (1) shall cease to be a member of the Board from the date specified in the notice or, if no date is specified, from the date of the receipt by the Cabinet Secretary or the Secretary to the relevant Board, as the case may be, of the notice. (9) Revocation of appointment and vacation of office (1) The appointment of a member to a Board of Governors or to its committees shall be revoked and the member shall vacate office if the member— (a) resigns in accordance with paragraph 13 of this schedule; (b) becomes insolvent or has conveyed or assigned his property or has made a proposition or arrangement for the benefit of his creditors; (c) is sentenced by a court of law to imprisonment for a term of six months or more; (d) is incapacitated by physical or mental illness; has been absent from three consecutive meetings of the Board of Governors without leave; (f) where the member is a representative, has his appointment revoked by the nominating body; or (g) is otherwise unable or unfit to discharge his functions as a member of the Board of management on account of any matter in this Act.

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The roles and functions of the board are also clearly provided for in the article 29 of the TVET ACT 29 of 2013. In which case;

(29)The functions of the organs set out under section 28(1) shall include— (a) overseeing the conduct of education and training in the Emurua Dikirr Technical Training Institutes in accordance with the provisions of this Act and any other written law; (b) promoting and maintaining standards, quality and relevance in education and training in the Emurua Dikirr Technical Training Institutes in accordance with this Act and any other written law; (c) administering and managing the property of the Emurua Dikirr Technical Training Institutes; (d)

developing and implementing the Emurua Dikirr Technical Training Institutes' strategic plan; (e) preparing annual estimates of revenue and expenditure for the Emurua Dikirr Technical Training Institute and incurring expenditure on behalf of the Emurua Dikirr Technical Training Institutes; (f) receiving, on behalf of the Emurua Dikirr Technical Training Institute, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the Emurua Dikirr Technical Training Institute or other bodies or persons; (g) determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act; (h) mobilizing resources for the Emurua Dikirr Technical Training Institutes; (i) developing and reviewing programmes for training and to make representations thereon to the Board; (j) regulating the admission and exclusion of students from the Emurua Dikirr Technical Training Institutes, subject to a qualifications framework and the provisions of this Act; (k) approving collaboration or association with other Emurua Dikirr Technical Training Institutes and industries in and outside Kenya subject to prior approval by the Board; (l) recruiting and appointing trainers from among qualified professionals and practising trades persons in relevant sectors of industry; (m) determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the Emurua Dikirr Technical Training Institutes, in consultation with the Authority; (n) making regulations governing organization, conduct and discipline of the staff and students (o) preparing comprehensive annual reports on all areas of their mandate, including education and training services and submit the same to the Board; (p) providing for the welfare of the students and staff of the Emurua Dikirr Technical Training Institutes; (q) encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the Emurua Dikirr Technical Training Institutes; and (r) discharging all other functions conferred upon it by this Act or any other written law

Management of Interest and its disclosure thereof is provided for in Section 15 of the Second Schedule of the TVET ACT 29 of 2013. In which case;

(15). Disclosure of interest (1) If a member is directly or indirectly interested in any contract, proposed contract or other matter before a Board of Governors and is present at a meeting of the Board of Governors at which the contract, proposed contract or other matter is the subject of consideration, he shall, at the meeting and as soon as reasonably practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. (2) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made. (3) A member of the Board of Management who contravenes subparagraph (1) commits an offence and shall be liable to a fine of fifty thousand shillings, or to imprisonment for a term of six months, or to both.

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Board Remuneration is governed by Section 17 of the second Schedule of TVET ACT 29 of 2013.

(17) Members of a Board of management shall be paid in respect of their services such remuneration or allowances as the Board of Management shall, with the approval of the Cabinet Secretary, determine.

The Governance Audit follows the laid down procedures as provided for in Public Finance Management Act, 2012, procurement and disposal Act, 2015, and section 14 of the State Corporation Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013

During the Financial year ending 30th June 2025, The Board of management had five Full Board Meetings and five committee meetings spread between 30th of September 2024 and 30th of June 2025.

FULL BOARD MEETING							
S N	NAME	DESIGNATION	ATTENDANCE				
			26.09.2024	04.12.2024	16.12.2024	26.03.2025	27.06.2025
1	PHILIP CHERUIYOT	CHAIRPERSON	✓	✓	✓	✓	✓
2	TOM ANODE	MEMBER	✓	✓	✓	✓	✓
3	CALVINCE OUMA	MEMBER	✓	✓	✓	✓	✓
4	NELLY MUTAI	MEMBER	✓	✓	✓	✓	✓
5	SHARON SABATO	MEMBER	✓	✓	✓	✓	✓
6	GEDION NGUMI	MEMBER	✓	✓	✓	✓	✓
7	AUGUSTINE CHERUIYOT	MEMBER	X	X	X	X	X
8	PETER CHERUIYOT	PS REPRESENTATIVE	✓	X	✓	✓	✓
9	DAVID BUSIENEI	BOARD SECRETARY	✓	✓	✓	✓	✓

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ACADEMIC COMMITTEE MEETING			
			ATTENDANCE
SN	NAME	DESIGNATION	23.01.2025
1	TOM ANODE	CHAIRPERSON	✓
2	SHARON SABATO	MEMBER	✓
3	PETER CHERUIYOT	MEMBER.	✓
8	DAVID BUSIENEI	BOARD SECRETARY	✓

FINANCE, HR AND INFRASTRUCTURE COMMITTEE MEETING			
			ATTENDANCE
S N	NAME	DESIGNATION	20.03.2025 17.06.2025
1	NELLY MUTAI	CHAIRPERSON	✓ ✓
2	GEDION NGUMI	MEMBER	✓ ✓
3	PETER CHERUIYOT	PS REPRESENTATIVE	✓ ✓
4	DAVID BUSIENEI	BOARD SECRETARY	✓ ✓

AUDIT COMMITTEE MEETING			
			ATTENDANCE
S N	NAME	DESIGNATION	21.03.2025
1	CALVINCE OUMA	CHAIRPERSON	✓
2	TOM ANODE	MEMBER	✓
3	SHARON SABATO	MEMBER	✓

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Annual Report and Financial Statements for the year ended 30th June 2025

9. Management Discussion and Analysis

During the Financial Year ending on 30th June 2025, and based on the laid down procedures as provided for in Public Finance Management Act, 2012, Procurement and Disposal Act, 2015, and section 14 of the State Corporation Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013, Emurua Dikirr Technical Training Institute Performed as follows:

PART 1 FINANCIAL PERFORMANCE			
A	REVENUE	AMOUNT (KES)	STATUS
1	Revenue from Non exchange Transaction	23,636,155	
2	Revenue from exchange transactions	22,680,679	
3	Revenue from sale of goods and services	370,910	
	Total Revenue	46,687,744	
B	EXPENDITURE		
1	Total Expenses	34,609,669	
D	SURPLUS	12,078,075	
C	MAJOR RISKS	AMOUNT (KES)	RISK FACTOR
1	NON-REMITTAL OF CAPITATION		Critical
2	NON-PAYMENT OF FEES		Critical
D	COMPLIANCE WITH STATUTORY REQUIREMENTS		STATUS
1	PAYE Remittance		Up to date
2	NSSF Remittance		Up to date
3	SHIF Remittance		Up to date
4	HELB Remittance		Up to date
5	HL Remittance		Up to date
6	NITA Remittance		Up to date
E	PROJECTS/ ACTIVITIES		STATUS

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	UNDERTAKEN		
1	Acquisition of Training Materials and Equipment		Continual
2	Main Gate construction		Work in Progress
3	Marketing of the institution		Continual
4	Bus Acquisition		Fully acquired
5	Tiling of administration		Fully done
6	Construction of dairy shed		Fully done

10. Environmental And Sustainability Reporting Statement

Emurua Dikirr Technical Training Institute exists to transform lives through provision of skills. This is our mission; 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.

Environmental performance

During the year ending 30th June 2022, the Board approved the Strategic Plan 2021-2025 to provide for the strategic direction of the Emurua Dikirr Technical Training Institute. The strategic plan provides a clear framework for the sustainability of the institution.

During the year ending 30th of June 2025, we continued to implement sustainability strategies provided for in the Strategic Plan 2021- 2025

The sustainable strategies implemented in the financial year ending June 2024 included;

SN	Pillars	Sustainability Strategies Adopted
01	Business System	<ul style="list-style-type: none"> • Implementing market Relevant, Competency Based Curricula • Continuous marketing of our products • Continuous expansion of MIS modules for improved efficiency of Service Delivery and fee collection • Maintaining Quality Service delivery
02	Political System	<ul style="list-style-type: none"> • Continued involvement of the local community through stakeholder engagement in the execution of our activities • Continued collaboration with NG- CDF board, Emurua Dikirr and the County Government of Narok
03	Economic System	<ul style="list-style-type: none"> • Diversifying and aligning our curricula base to the needs of the community • Introducing Commercial farming • Renting our facilities
04	Social system	<ul style="list-style-type: none"> • Continued upgrading of our play fields • Organising sporting events including the local Community, neighbouring institutions and regional competitions
05	Environmental systems	<ul style="list-style-type: none"> • Adherence to the environmental Policy guidelines

Employee welfare

Emurua Dikirr Technical Training Institute being a public entity follows public policies and procedures governing the conduct of public entities.

Part III section F of HR manual, provides for Work Environment Health and Safety, upon which Emurua Dikirr TTI relies for the implementation of our work-related policies and procedures

Part IV of the manual provides for Performance Management, Training and Development with clear guidelines and procedures for public entities.

Market place practices-

Emurua Dikirr Technical Training Institute is located along Emurua Dikirr Mogondo Road, 4 km from Emurua Dikirr town, in Transmara East Sub County, Narok County. The location provided us with a unique niche and needs reflected in the kind of products and programmes we offer. Our programmes are aligned to the needs of our market space and therefore in itself it is a statement of responsible competition practice. At Emurua Dikirr Technical Training Institute we continue to value networking and collaborating with the local community including National Government Constituency Development Fund (CDF) Board, the County Government, and Local administration.

During the year ending June 2025, we continued to maintain our policy of viewing technical colleges as partners rather than competitors has provided for a close working relation with our neighbours. During the year ending June 30th 2025, we continued to work closely with Sotik TTI and SOT TTI in the provision and conduct of Technical Training and Examination in Automotive Engineering and Welding and Fabrication Engineering.

Corporate Social Responsibility / Community Engagements

During the year ending 30th June 2025, we continued to maintain and service the water supply system line for the community.

11. Report of the Council/Board of Governors

The Council/Board members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Emurua Dikirr Technical Training Institute affairs.

Principal activities

The principal activities of the Emurua Dikirr Technical Training Institute is to offer technical training to the trainees

Results

The results of the entity for the year ended June 30 are set out on page

Council/Board of Governors

The members of the Board who served during the year are shown on page 10.

Auditors

The Auditor General is responsible for the statutory audit of the entity in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 or XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the *entity* for the year/period ended June 30, 20XX, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....
Secretary of the Board/Council

Nairobi

Date: 28.11.2025

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

Section 164 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 Management to prepare financial statements in respect of that Emurua Dikirr Technical Training Institute, which give a true and fair view of the state of affairs of the Emurua Dikirr Technical Training Institute at the end of the financial year/period and the operating results of the Emurua Dikirr Technical Training Institute for that year. The Board of Management are also required to ensure that the Emurua Dikirr Technical Training Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Emurua Dikirr Technical Training Institute. The Board of Management are also responsible for safeguarding the assets of the Emurua Dikirr Technical Training Institute.

The Board of Management are responsible for the preparation and presentation of the Emurua Dikirr Technical Training Institute financial statements, which give a true and fair view of the state of affairs of the Emurua Dikirr Technical Training Institute for and as at the end of the financial year (period) ended on June 30, 2025. 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) s [REDACTED] Dikirr Technical Training Institute, (v) selecting and [REDACTED] es, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Management accept responsibility for the Emurua Dikirr Technical Training Institute 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 Board of Management are of the opinion that the Emurua Dikirr Technical Training Institute's financial statements give a true and fair view of the state of Emurua Dikirr Technical Training Institute's transactions during the financial year ended June 30, 2025, and of the Emurua Dikirr Technical Training Institute's financial position as at that date. The Board of Management further confirm the completeness of the accounting records maintained for the Emurua Dikirr Technical Training Institute, which have been relied upon in the preparation of the Emurua Dikirr Technical Training Institute's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the Emurua Dikirr Technical Training Institute's ability to continue as a going concern. Nothing has come to the attention of the


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Board of Management to indicate that the Emurua Dikirr Technical Training Institute will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Emurua Dikirr Technical Training Institute's financial statements were approved by the Board on 20th August 2025 and signed on its behalf by:


.....
Name *Philip Cheonyif*
Chairperson of the Board


.....
Name *David K. Busienei*
Accounting Officer/Principal

REPUBLIC OF KENYA

Telephone: +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 EMURUA DIKIRR TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Emurua Dikirr Technical Training Institute set out on pages 1 to 50, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and

other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Emurua Dikirr Technical Training Institute as at 30 June, 2025 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, Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Cash Flows

The statement of cash flows reflects net decrease/(increase) in cash and cash equivalents balance of Kshs.5,780,016. However, re-computation of the difference between cash equivalents as at 1 July 2025 and 30 June balances of Kshs.6,139,830 and Kshs.1,155,039 resulted in a net decrease in cash and cash equivalent of Kshs.4,984,771, resulting in an unexplained variance of Kshs.795,245. Further, re-computation of the prior year net cash flows from operating activities balance of Kshs.3,016,348 results to a balance of Kshs.2,989,348 resulting to an unexplained variance of Kshs.27,000. In addition, prior year net cash flows from investing activities excludes purchase of property, plant, equipment and intangible assets balance of Kshs.8,199,595.

The statement of changes in net asset reflects capital grants received during the year amount of Kshs.18,569,715 which has been omitted in the statement of cash flows under financing activities.

The statement of cash flows reflects additions of property, plant and equipment amount of Kshs.13,752,140. However, note 21 to the financial statements reflects assets additions and disposals amount of Kshs.794,600 and Kshs.10,692, resulting in an unexplained variance of Kshs.14,536,048.

The statement of comparison of budget reflects rendering of services – fees from students amount of Kshs.22,680,679. However, the statement of cashflows reflects a balance of Kshs.17,655,489 resulting in an unexplained variance of Kshs.5,025,190.

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

2. Unsupported Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.86,069,641 which as disclosed in Note 21 to the financial statements includes land owned by the Institute with a value of Kshs.10,000,000. However, the Institute did not

provide the ownership documents for the land for audit verification. Management explained that the process of acquiring the title deed for the land was ongoing but no evidence was provided to support the position.

In the circumstances, the accuracy, completeness, ownership and existence of the property, plant and equipment balance of Kshs.86,069,641 could not be confirmed.

3. Non-Disclosure of Age Analysis of Current Receivables from Exchange Transactions

The statement of financial position reflects current receivables from exchange transactions balance of Kshs.30,177,007 as disclosed in Notes 18 to the financial statements. However, Management did not disclose aging analysis of the student debtors balance of Kshs.30,177,007. Further, Management did not explain the measures being undertaken to ensure collection of the long outstanding debts.

In the circumstances, the accuracy, completeness and recoverability of the current receivables from exchange transactions balance of Kshs.30,177,007 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.49,457,710 and Kshs.46,687,744 respectively, resulting to an under-funding of Kshs.2,769,966 or 6% of the budget. Further, the Institute spent an amount of Kshs.34,062,397 against actual receipts of Kshs.46,687,744 resulting to an under-utilization of Kshs.12,625,347 or 27% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the prior year audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the College in 2024/2025 revealed that the following eleven (11) issues remained unresolved:

No.	Financial Year	Audit Issue
1.	2023/2024	Inaccuracies in the Financial Statements
2.	2023/2024	Understatement of the Cash and Cash Equivalents Balance
3.	2023/2024	Unsupported Property Plant and Equipment
4.	2023/2024	Budgetary Control and Performance
5.	2023/2024	Non-Compliance with law on Accreditation and Licensing of Trainers
6.	2023/2024	Non-Compliance with law on Ethnic composition
7.	2023/2024	Long Outstanding Trade and Other Receivables
8.	2023/2024	Failure to maintain an Imprest Register
9.	2023/2024	Lack of an Internal Audit Function and Inactive Audit committee
10.	2023/2024	Lack of Risk Management Policy
11.	2023/2024	Lack of Human Resource Policy

Other Information

Management is responsible for the Other Information set out on page iii to xxx which comprise of Key Entity Information and Management, The Board of Governors, Key Management Team, Chairman's Statement, Report of the 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 THE 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 the Law on Ethnic Composition

Review of the staff establishment records of the Institute revealed that it had a total number of Board of Governors (BOG) staff of twenty-seven (27), out of whom twenty-five or 93% are from one ethnic community. This is contrary to Section 7 (1) and (2) of the National Cohesion and Integration Commission Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff, no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy

During the year under review, the Institute did not have a Risk Management Policy in place. This was contrary to Regulation 165(1)(a) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the existence of an effective risk management system could not be confirmed.

2. Lack of Human Resource Policy

Review of records revealed that the Institute had twenty-seven (27) members of staff in the year under review. However, the Institute does have in place an approved human resource policy guideline, approved salary structure, approved staff establishment and Board of Governors, terms and conditions of service which provide for employee welfare and other staff benefits. Therefore, without an approved staff establishment it was not possible to verify how various job groups were arrived at and what was the human capital gap if any.

In the circumstances, Management may not be in a position to identify whether the Institute is operating with the optimal number of staff to ensure effective service delivery to the public.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue 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.

Those charged with governance are responsible for overseeing the Institute's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes

and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

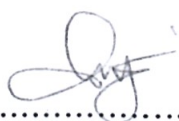
09 December, 2025

Emurua Dikirr Technical Training Institute
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14. Statement of Financial Performance For The Year Ended 30 June 2025

	Notes	FY 2024 -	FY 2023 -
		2025	2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	13,936,155	13,030,675
Transfers from other levels of government	7	9,700,000	0
		23,636,155	13,030,675
Revenue from Exchange transactions			
Rendering of services- fees from students	8	22,680,679	14,237,080
Sale of goods	9	1,910	19,420
Rental revenue from facilities and equipment	10	369,000	0.00
Revenue from Exchange transactions		23,051,589	14,256,500
Total Revenue		46,687,744	27,287,175
Expenses			
Use of goods and services	11	20,044,017	14,194,393
Employee costs	12	7,960,972	7,282,994
Board Expenses	13	1,571,300	484,150
Depreciation and amortization expense	14	4,593,860	2,625,923
Repairs and maintenance	15	439,520	1,910,172
Total Expenses		34,609,669	26,497,632
Net surplus/(deficit) for the year		12,078,075	789,543

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



.....
Chairman of Board

Date 28/11/2025



.....
Principal

Date 28.11.2025



.....
Finance Officer

ICPAK No 34250
 Date 28.11.2025

15. Statement of Financial Position As At 30th June 2025

Description	Notes	FY 2024 - 2025	FY 2023 - 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	16	1,155,059	6,139,830
Current portion of receivables from exchange transactions	18	30,177,007	22,648,058
Receivables from non-exchange transactions	19	21,434,397	21,738,500
Inventories	20	3,896,892	2,360,317
Total Current Assets		56,663,355	52,886,705
Non-Current Assets			
Property, plant, and equipment	21	86,069,641	77,944,309
Intangible assets	22	1,200,000	0
Total Non-Current Assets		87,269,641	77,944,309
Total Assets (A)		143,932,996	130,831,014
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	23	3,826,925	1,722,275
Refundable deposits from customers	24	186,500	277,500
Total Current Liabilities		4,013,425	1,999,775
Non-Current Liabilities			
Finance lease obligation		0	0
Deferred income		0	0
Social benefits		0	0
Total non- current liabilities		0	0
Total Liabilities (B)		4,013,425	1,999,775
Net Assets (A-B)		142,461,689	128,831,239
Represented By:			
Revaluation Reserves		0	0

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Description	Notes	FY 2024 - 2025	FY 2023 - 2024
		Kshs	Kshs
Accumulated Surplus		12,078,075	789,543
Capital Fund		130,383,614	128,041,695.50
Net Assets		142,461,689	128,831,239

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



Chairman of Board

Date *28/11/2025*



Principal

Date *28.11.2025*



Finance Officer

ICPAK No *34250*
 Date *28.11.2025*

16. Statement of Changes in Net Asset For The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023		24,454,846	86,569,510	111,024,356
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	789,543	-	-
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2024	-	25,244,389	86,569,510	111,024,356
At July 1, 2024	-	25,244,389	86,569,510	111,813,899
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	12,078,075	-	-
Capital grants received during the year	-	-	18,569,715	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	(-)	-
At June 30, 2025	-	37,322,464	105,139,225	142,461,689

17. Statement of Cash Flows For The Year Ended 30 June 2025

Description		FY 2024 - 2025	FY 2024 - 2025
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities		13,936,155	13,030,675
Grants from donors and development partners		0	0
Transfers from other levels of government		9,700,000	0
Public contributions and donations		0	0
Rendering of services- fees from students		17,655,489	14,237,080
Sale of goods		1,910	19,420
Rental revenue from facilities and equipment		369,000	0
Finance income		0	0
Miscellaneous income		0	0
Total Receipts		41,662,554	27,287,175.50
Payments			
Use of goods and services		20,044,017	14,194,393
Employee costs		7,960,972	7,282,994
Board /Council Expenses		1,571,300	484,150
Repairs and maintenance		439,520	1,910,172
Depreciation and amortization		4,593,860	2,625,923
Grants and subsidies		0	0
Total Payments		34,609,669	26,497,632
Net surplus for the year		7,052,885	789,543
Adjustment: Add back depreciation		4,593,860	2,625,923
Add decrease in debtors		(7,224,846)	(8,199,595)
Less inventories		1,536,575	1,224,144
Less decrease in creditors		(91,000)	27,000
Add increase in creditors		2,104,650	543,637
Net cash flows from operating activities		7,972,124	(3,016,348)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		0	(8,199,595)
Proceeds from sale of property, plant and equipment		0	0
Bus acquisition		(9,700,000)	0
Science Lab Installation		(1,262,250)	0
Tiling of administration offices		(300,000)	0

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Description	Note	FY 2024 - 2025	FY 2024 - 2025
		Kshs	Kshs
Dairy shed		(494,600)	0
Work in Progress - Main gate		(1,995,290)	0
Net cash flows used in investing activities		(13,752,140)	(0)
Cash flows from financing activities			
Proceeds From Borrowing		0	0
Repayment Of Borrowings		(0)	(0)
Net cash flows used in financing activities		(0)	(0.00)
Net Increase/(Decrease) in Cash and Cash equivalents		(5,780,016)	5,713,877
Cash and Cash equivalents at 1 JULY	26	6,139,830	418,711
Cash and Cash equivalents at 30 JUNE	26	1,155,059	6,139,830

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

18. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Receipts						
Transfers from other National Government entities	0	(0)	0	0	(0)	0%
Grants from donors and development partners	0	(0)	0	0	(0)	%
Transfers from other levels of government	21,450,000	(0)	21,450,000	13,936,155	7,513,845	64.97%
Public contributions and donations	0	(0)	0	0	(0)	%
Rendering of services- fees from students	28,007,710	(0)	28,007,710	22,680,679	5,327,031	80.98%
Sale of goods	0	(0)	0	1,910	(1,910)	-%
Rental revenue from facilities and equipment	0	(0)	0	369,000	(369,000)	-%
NG- CDF	0	(0)	0	9,700,000	(9,700,000)	0%
Miscellaneous Income	0	(0)	0	0	(0)	0%
Total Receipts	49,457,710	(0)	49,457,710	46,687,744	(2,557,724)	74.40 %
Payments						
Use of goods and services	23,007,492	-	23,007,492	20,044,017	2,963,475	87.11 %
Employee costs	8,905,128	(0)	8,905,128	7,960,972	1,491,428	83.25%
Board /Council Expenses	2,202,000	(0)	2,202,000	1,571,300	630,700	71.35 %
Repairs and maintenance	1,489,000	(0)	1,489,000	439,520	1,049,480	29.51 %
Depreciation and Amortization expense				4,593,860	(4,593,860)	
Contracted services	0	(0)	0	0	0	.0 %
Grants and subsidies	0	(0)	0	0	0	0 %
Total Expenditure Payments	35,603,620	(0)	35,603,620	34,609,669	1,678,118	82.38 %
Capital Expenditure Payments	-	-	-	21,437,050	798,512	-

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Surplus	-	-	-	12,078,075	(879,606)	37.63%
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Budget notes

1. Provide explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14
2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	12,078,075
1	Reason for differences, Failure by government to remit capitation	7,513,845
2	Reason for differences, Debtors from exchange transaction	5,327,031
3	Reason for differences, Transfer from NG-CDF that was unbudgeted for	9,700,000
4	Reason for differences, Rental and sale of goods that was unbudgeted for	1,910
	Closing Cash and Cash Equivalent as per the statement of Cash flows	1,155,059

19. Notes to the Financial Statements

1. General Information

Emurua Dikirr TTI Emurua Dikirr Technical Training Institute is established by and derives its authority and accountability from TVET Act. The Emurua Dikirr Technical Training Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Emurua Dikirr Technical Training Institute's principal activity is provision of technical training courses.

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 Emurua Dikirr Technical Training Institute accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Emurua Dikirr Technical Training Institute. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the TVET Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There are no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

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

	<ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on 27/06/2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. The 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 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 Cashflows has been presented.

c) Taxes

Current income tax

The entity is exempt from paying taxes.

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 an xx-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

f) Leases

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

g) Intangible assets

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

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) Research and development costs

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

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

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

j) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The*

entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which

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are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

k) Inventories

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

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

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

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

Inventories (Continued)

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

l) Provisions

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

Contingent liabilities

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

Contingent assets

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

m) Social Benefits

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

n) Nature and purpose of reserves

The Emurua Dikirr Technical Training does not create and maintains reserves in terms of specific requirements.

o) Changes in accounting policies and estimates

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

p) Employee benefits

Retirement benefit plans

The Emurua Dikirr Technical Training Institute does not provide 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.

q) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) 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.

s) **Related parties**

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

t) Service concession arrangements

The Emurua Dikirr Technical Training Institute analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *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.

u) Cash and cash equivalents

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

v) Comparative figures

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

w) 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, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

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

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.

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6. Transfers from other National Government entities

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	13,936,155	13,030,675
Operational Grant	0	0
Development grants	0	0
Other Grants	0	0
Total unconditional Grants	13,936,155	13,030,675
Conditional Grants amortised/ recognised in revenue		
Library Grant	0	0
Hostels Grant	0	0
Administration Block Grant	0	0
Laboratory Grant	0	0
Learning Facilities Grant	0	0
Other Organizational Grants	0	0
Total Government Grants and Subsidies	0	0

7. Transfers from Other Levels of Government

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Transfer from NG -CDF	9,700,000	0
Transfer from XX University	0	0
Transfer from XX Institute	0	0
Total Transfers	9,700,000	0

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8. Rendering of Services

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Tuition Fees	7,919,590	6,678,760
Activity Fees	868,013	619,750
Industrial Attachment Fees	659,042	370,000
Examination Fees	6,325,373	2,389,420
E.W.C	848,782	603,100
Medical	229,386	185,000
Registration Fees	584,000	370,500
RMI	518,435	337,625
Local Transport and Travel	785,032	552,225
Personal emoluments	3,943,026	2,131,200
Total Revenue from The Rendering of Services	22,680,679	14,237,080

9. Sale of Goods

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Sale of Books	0	0
Sale of Publications	0	0
Sale of Farm Produce	1360	11,000
Cafeteria sales	550	9,420
Other sales (specify)	0	0
Total Revenue from Sale of Goods	1,910	19,420

10. Rental revenue from facilities and equipment

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Hire of Facilities and Equipment	369,000	0
Contingent Rentals	0	0
Operating Lease Revenue	0	0
Others (specify)	0	0
Total	369,000	0

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11. Use of Goods and Services

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Teaching and learning materials	7,307,523	6,792,905
Industrial attachment costs	335,300	240,640
Electricity	270,476	260,329
Water	7,000	4,000
Security	0	0
Professional and consultancy services	0	0
Subscriptions	237,193	127,400
Advertising/Marketing	187,650	558,940
Examination expenses	5,212,190	2,389,420
Audit fees	0	0
Catering, conferences, and delegations	425,165	0
Travelling and accommodation	3,180,584	2,012,400
Fuel and oil	201,790	35,024
Insurance	239,500	88,100
Legal expenses	0	0
Licenses and permits	0	0
Postage	0	0.00
Printing and stationery	374,578	539,296
Hire charges	0	0
Rent expenses	0	0
Skills development levies	0	0
Telephone expenses	102,500	156,500
Internet expenses	100,192	38,872
Training expenses	748,579	182,592
Sport activities	705,084	656,778
Students' affairs	347,560	104,050
Bank charges	61,153	7,146
Total good and services	20,044,019	14,194,393

12. Employee Costs

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Salaries and wages	6,524,062	6,711,716
Employee related costs - contributions to pensions, housing and medical aids	1,304,010	571,278
Travel, motor car, accommodation, subsistence and other allowances	0	0
Housing benefits and allowances	0	0
Overtime payments	0	0
Social contributions	132,900	0
Employee Costs	7,960,972	7,282,994

13. Board Expenses

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Chairman's Honoraria	148,000	0
Directors Emoluments	1,240,300	484,150
Other Allowances	183,000	0
Total	1,571,300	484,150

14. Depreciation and Amortization expense

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Property, plant and equipment	4,353,860	2,625,923
Intangible assets	240,000	0
Investment property carried at cost	0.00	0
Total depreciation and amortization	4,593,860	2,625,923

15. Repairs and Maintenance

Description	FY 2024 - 2025	FY 2023 - 2024
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	Kshs	Kshs
Property	10,800.00	0
Investment property – earning rentals	75,000.00	0
Equipment and machinery	308,520	0
Vehicles	0	0
Furniture and fittings	45,200.00	1,910,172
Computers and accessories	0	0
Total Repairs and Maintenance	439,520	1,910,172

16. Cash and Cash Equivalents

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Current Account		
Kenya Commercial Bank	1,151,942	6,132,558
Equity Bank	3,117	7,271
On - Call Deposits	0	0
Fixed Deposits Account	0	0
Staff Car Loan/ Mortgage	0	0
Others (Specify)	0	0
Total Cash and Cash Equivalents	1,155,059	6,139,829

17. Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	FY 2024 - 2025	FY 2023 - 2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1284366227	1,151,942	6,132,558
Equity Bank.	1840281093726	3,117	7,271
Sub- Total		1,155,059	6,139829
b) On - Call Deposits			
Kenya Commercial Bank		0	0
Equity Bank – etc.		0	0
Sub- Total		0	0
c) Fixed Deposits Account			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
d) Staff Car Loan/ Mortgage			
Kenya Commercial Bank		0	0
Bank B		0	0
Sub- Total		0	0
e) Others(<i>Specify</i>)			
Cash in Transit		0	0
Cash in Hand		0	0
Mobile Money account		0	0
Sub- Total		0	0
Grand Total		1,155,059	6,139829

18.Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Current Receivables		
Student Debtors	30,177,007	22,648,057
Rent Debtors	0	0
Consultancy Debtors	0	0
Other Exchange Debtors	0	0
Less: Impairment Allowance	0	0
Total Current Receivables	30,177,007	22,648,057

19.Receivables from Non-Exchange transactions

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Current Receivables		
Capitation Grants*	21,434,397	21,738,500
Transfers from Other Govt. entities	0	0
Undisbursed Donor Funds	0	0
Other Debtors (Non-Exchange Transactions)	0	0
Less: Impairment Allowance	(0)	(0)
Total Current Receivables	21,434,397	21,738,500

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

Description	FY 2024 - 2025		FY 2023 - 2024	
	Kshs		Kshs	
	FY 2024-2025	% of the total	FY 2023-2024	% of the total
Less than 1 year	21,434,397	100 %	21,738,500	100 %
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%

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Over 3 years	0	%	0	%
Total	21,434,397	%	21,738,500	%

20. Inventories

Description	FY 2024 - 2025	FY 2023 - 2024
	Kshs	Kshs
Consumable stores	2,820,974	1,877,704
Maintenance stores	53,730	10,840
Health Unit stores	0	0
Electrical stores	701,668	365,940
Cleaning Materials stores	0	95,875
Catering stores	320,520	9,958
Less: Impairment allowance	0	0
Total Inventories at lower of Cost and Net Realizable Value	3,896,892	2,360,317

Detailed disclosure on inventories

	FY 2024 - 2025	FY2023-2024
Opening balance	2,360,317	1,136,173
Additional Inventory in the year	0	0
Inventory expensed in the year	0	0
Write-downs in the year	3,896.892	2,360,317
Others specify	0	0
Closing balance	3,896,892	2,360,317

21. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2%	20 %	12.5%	30%	15%		
At 1 July 2024	10,000,000	52,839,786	0.00	1,705,147	6,082,320	7,317,050	0.00	77,944,303
Additions	0	0	9,700,000	-	0	-		9,700,000
Disposals	(0)	(0)	-	-	(0)	-	(0)	(0)
Transfers/Adjustments	0	(0)	0	(0)	(0)	-		(0)
Revaluation	0	0	0	0	0	0		0
At 30th June 2024	10,000,000	52,839,786	0.00	1,705,147	6,082,320	7,317,050	0.00	77,944,303
Additions	0	794,600	0	-	0	0	0	794,600
Disposals	(0)	-	-	-	(10,692)	-	(0)	(0)
Transfer/Adjustments	(0)	0	0	(0)	(0)	-	0	(0)
Revaluation	0	0	0	0	0	0		0
At 30th June 2025	10,000,000	52,577,590	9,538,333	1,492,004	4,246,932	6,219,492	1,995,290	84,574,342
Depreciation And Impairment								
At 1 Jun 2024	10,000,000	5,783,122	0.00	555,852	2,507,080	2,233,524	0	21,079,578
Depreciation	0.00	1,056,796	161,667	213,143	1,824,696	1,097,558	0	4,353,860
Disposals	-	-	-	-	-	-	0	0
Impairment	-	-	-	-	(0)	-	-	(0)
At 30 Jun 2025		6,935,868	161,667	755,898	2,784,296	3,996,225	1,995,290	16,629,244
Depreciation	-	(0)	(0)	-	(0)	(0)		(0)
Disposals	-	-	-	-	0	-	0	0
Impairment	-	(0)	-	-	(0)	-	-	(0)
Transfer/Adjust	-	(0)	(0)		(0)	-	(0)	0

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Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ment								
At 30 th Jun 2025	-	6,935,868	161,667	760,875	2,761,960	2,519,915	1,995,290	15,135,575
Net Book Values								
At 30 th Jun 2024	10,000,000	52,839,786	0.00	1,705,147	6,082,320	7,317,050	0.00	77,944,303
At 30 th Jun 2025	10,000,000	52,577,590	9,538,333	1,492,004	4,246,932	6,219,492	1,995,290	86,069,641

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Notes to the Financial Statements (Continued)

Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements.

22. Intangible Assets

Description	FY 2024- 2025	FY 2023 - 2024
	Kshs	Kshs
Cost		
At beginning of the year	1,200,000	0
Additions	0	0
At end of the year	1,200,000	0
Additions–internal development	0	0
At end of the year	1,200,000	0
Amortization and impairment	240,000	
At beginning of the year	1,200,000	0
Amortization	240,000	0
At end of the year	960,000	0
Impairment loss	0	0
At end of the year	960,000	0
NBV	960,000	0

23. Trade and Other Payables

Description	FY 2024 - 2025		FY 2024 - 2025	
	Kshs		Kshs	
Trade payables	3,826,925		1,722,275	
Fees paid in advance	0		0	
Salary deductions	0		0	
Third-Party Payments	0		0	
Other Payables	0		0	
Total Trade and Other Payables	3,826,925		1,722,275	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Under one year	3,826,925	100%	1,722,275	100
1-2 years	0	0%	0	0
2-3 years	0	%	0	0
Over 3 years	0	%	0	0
Total (to tie to totals above)	3,826,925	100%	1,722,275	100

24. Refundable Deposits from Customers/Students

Description	FY 2024 - 2025		FY 2023 - 2024	
	Kshs		Kshs	
Consumer deposits	0		0	
Caution money	186,500		277,500	
Other refundable deposits	0		0	
Total Deposits	186,500		277,500	
Ageing analysis:	FY 2024-2025	% of the Total	FY 2023-2024	% of the Total
Under one year	186,500	100 %	277,500	100 %
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (to tie to totals deposits above)	0	%	0	%

25. Financial Risk Management

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

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

(i) Credit risk

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

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

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0
At 30 June 2025				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	0	0	0	0
Total	0	0	0	0

Financial risk management (continued)

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

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

(ii) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0
At 30 June 2025				
Trade Payables	0	0	0	0
Current Portion Of Borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred Income	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

(iii) Market risk

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

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

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

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

a) Foreign currency risk

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets (Investments, Cash, Debtors)	0	0	0
Liabilities			
Trade and Other Payables	0	0	0
Borrowings	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

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

Foreign currency sensitivity analysis

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

U	Change in currency rate	Effect on Profit before tax	Effect on equity
	Kshs	Kshs	Kshs
20xx			
Euro	10%	xxx	xxx
Usd	10%	xxx	xxx
20xx			
Euro	10%	xxx	xxx
Usd	10%	xxx	xxx

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

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iv) Capital Risk Management

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

Description	FY 2024-2025	FY 2023-2024
	Kshs	Kshs
Revaluation Reserve	xxx	xxx
Retained Earnings	xxx	xxx
Capital Reserve	xxx	xxx
Total Funds	xxx	xxx
Total Borrowings	xxx	xxx
Less: Cash and Bank Balances	(xxx)	(xxx)
Net Debt/(Excess Cash and Cash Equivalents)	xxx	xxx
Gearing	xx%	xx%

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17. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

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

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

Description	FY 2024-2025	FY 2023 -2024
	Kshs	Kshs
Transactions with Related Parties		
a) Sales to related parties		
Sales of electricity to govt agencies	0	0
Rent income from govt. agencies	0	0
Water sales to govt. agencies	0	0
Others (<i>specify</i>)	0	0
Total	0	0
B) Purchases from related parties		
Purchases of electricity from kplc	0	0
Purchase of water from govt service providers	0	0
Rent expenses paid to govt agencies	0	0
Training and conference fees paid to govt. agencies	0	0
Others (<i>specify</i>)	0	0
Total	0	0
b) Grants /Transfers from the Government		
Grants from National Govt	13,936,155	13,030,675
Grants from County Government	0	0
Donations in Kind	0	0
Total	0	0
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for Employees	0	0
Payments for Goods and Services	0	0

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Description	FY 2024-2025	FY 2023 -2024
	Kshs	Kshs
Total		
d) Key Management Compensation		
Directors' emoluments	0	0
Compensation to Key Management	0	0
Total	0	0

18. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

19. Events After The Reporting Period

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

20. Ultimate And Holding Entity

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

21. Currency

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

20. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

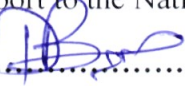
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported expenditure on the use of goods and services	All supportive documents have been availed and expenditures fully supported	Not Resolved	
2	Unsupported expenditure on board allowances	All supportive documents have been availed and expenditures fully supported	Not Resolved	
3	Property, Plant and Equipment	Financial statement have been updated as the asset register	Not resolved	As per the ministry direction.
4	Errors in preparation of financial statements	The revised financial statement was submitted	Not Resolved	
5	Lack of internal audit function	Internal auditor services outsourced from Sotik TTI	Not Resolved	
6	Long outstanding Trade and other receivables.	Non- remittance of capitation and scholarship by government.	Not Resolved	
7	Non-compliance with law on ethnic composition.	Top management comply with diversity requirement and support staff are from different wards within the county and neighbouring counties.	Not Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;

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



.....
Name: David Busienei
Accounting Officer
(Principal)

Date 28.11.2025

Appendix II: Projects Implemented by Emurua Dikirr Technical Training Institute

Projects

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

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

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Dairy shed	494,600	494,600	100	500,500	494,600	Fees
2	Main Gate	3,500,000	1,995,290	57	2,000,000	-	Fees
3	Tilling	450,000	300,000	100	450,000	300,000	Fees
4	Lab Installation	1,300,000	1,212,250	100	1,300,000	1,262,250	Fees

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Appendix III- Inter-Entity Confirmation Letter

Name of transferring entity.....

Name of beneficiary entity.....

Confirmation of amounts received by Emurua Dikirr Technical Training Institute as at 30th June 2025

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)
RC-6261	27/09/2024	927,208		927,208
RC_6260	26/09/2024	1,572,223		1,572,223
RC-6255	26/09/2024	309,069		309,069
RC-6252	27/09/2024	470,323		470,323
RC_6265	10/1/2024	26,532		26,532
RC-6272	1/10/2024	2,061,000		2,061,000
RC-6317	3/10/2024	2,082,800		2,082,800
RC-6618	14/2/2025	6,487,000		6,487,000
Total				13,875,155

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

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name KIBET KIRUI Sign  Date 28/11/2025

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Appendix IV: Reporting of Climate Relevant Expenditures

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

Appendix V: Reporting on Disaster Management Expenditure

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