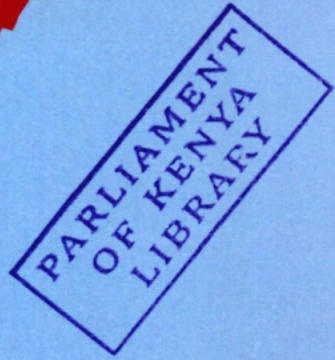


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 09 APR 2025	DAY: Wednesday
TABLED BY: Hon. Sylvia Ochieng, MP Majority party Whip	
CLERK-AT-THE-TABLE: A. Shabuko	

OF

THE AUDITOR-GENERAL

ON

**NATIONAL INDUSTRIAL TRAINING
AUTHORITY**

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

24 DEC 2024

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NATIONAL INDUSTRIAL TRAINING AUTHORITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDING

JUNE 30, 2024

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

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

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**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

Table of Contents.....	Page
1. ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS	ii
2. KEY ENTITY INFORMATION AND MANAGEMENT	iii
3. THE BOARD OF DIRECTORS	vi
4. MANAGEMENT TEAM	xi
5. CHAIRMAN'S STATEMENT.....	xvii
6. REPORT OF THE DIRECTOR GENERAL	xix
7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024	xxi
8. CORPORATE GOVERNANCE STATEMENT	xxiii
9. MANAGEMENT DISCUSSION AND ANALYSIS	xxv
10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING	xxix
11. REPORT OF THE DIRECTORS.....	xxxiii
12. STATEMENT OF DIRECTORS' RESPONSIBILITIES	xxxiv
13. REPORT OF THE INDEPENDENT AUDITORS ON NATIONAL INDUSTRIAL TRAINING AUTHORITY.....	xxxvi
14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024	1
15. STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE 2024	2
16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024	3
17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024	4
18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024.....	5
19. NOTES TO THE FINANCIAL STATEMENTS.....	7
20. APPENDICES	32

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

1. ACRONYMS, ABBREVIATIONS AND GLOSSARY OF TERMS

CEO	Chief Executive Officer
DG	Director General
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
MD	Managing Director
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
SC	State Corporations
WB	World Bank
VC	Vice Chancellor

B: Glossary of Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation.

Comparative Year- Means the prior financial reporting period.

2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The National Industrial Training Authority (NITA) is a State Corporation established under the Industrial Training Act (CAP 237) under the Ministry of Labour and Social Protection. NITA is domiciled in Kenya with the Headquarters located in Commercial Street, Industrial Area Nairobi. The Authority has regional offices in Mombasa, Kisumu, Nakuru, Nyeri, Embu, Eldoret, Athi River, Thika and Kakamega. The mandate of the Authority is to promote the highest standards in the quality and efficiency of industrial training in Kenya and ensure adequate supply of properly trained manpower at all levels in industry.

The Authority is governed by a Board of Directors under whom the Director General serves. The Director General is responsible for the day-to-day management of the Authority and strategic direction.

(b) Principal Activities

NITA's principal mandate, vision and mission are as follows:

Vision

An authority transforming and enhancing competitive skills development for Industry in Kenya.

Mission

To enhance skills development, productivity and employability through effective regulation of demand driven training at all levels of industry.

Core Values

Shared Prosperity; **K**nowledge Focus; **I**nnovation and Inclusivity, **L**eadership and Integrity; **L**ifelong Learning; **E**fficiency; **R**esilience – SKILLER.

Strategic Goals

To enhance customer satisfaction and inclusivity by growing the number of employers contributing to the levy from 35,000 to 61,500 by 2028, employees contributing to the levy from 1.2m to 3.7m in 2028, annual trainees from 196,769 to 332,965 and training providers from 788 to 1,244 in 2028; To enhance reimbursement of training levy; Enhance Brand Management and visibility; Facilitate financial sustainability by growing the annual revenue from Kshs. 2 billion to Kshs 3.683 billion by 2028 as well as enhancing efficiency and effectiveness in resource mobilization; Enhance operational automation; Attract, develop, engage and retain a competent staff complement; Strengthen Leadership, Governance and Risk Management.

Mandate

Industrial training; assessing and collecting industrial training levy and fees; regulating trainers registered under the Act; developing industrial training curricula; integrating labour market information into skills development; harmonizing curricula and certificates of competence; Assessing industrial training, testing occupational skills and awarding

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

certificates including Government trade test certificates; equating certificates; accrediting institutions engaged in skills training for industry.

NITA has five industrial training centres:

1. NITA, Nairobi
2. NITA, Mombasa
3. NITA, Athi River
4. NITA, Nairobi Textile Training Institute
5. NITA, Kisumu

(c) Key Management

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

- Board of Directors
- Director General
- Management

(d) Fiduciary Management

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

No.	Designation	Name
1.	Ag. Director General	Theresa K. Wasike (Ms.)
2.	Director, Industrial Training and Skills Development	Ms. Jane Kamau
3.	Director Corporate Services	Mr. Gerald Kirimi
4.	Ag. Corporation Secretary/Manager Legal Services	Ms. Caroline Musango
5.	Ag. Director Labour Migration	Ms. Mary Wamoko
6.	Centre Manager, NITA Nairobi	Ms. Millicent Otom
7.	Centre Manager, Nairobi Textile Training Institute	Mr. Festus Musyoki
8.	Ag. Centre Manager, NITA Kisumu	Mr. Bernard Osongo
9.	Ag. Centre Manager, NITA Athi River	Mr. Zakayo Mutonga
10.	Ag. Centre Manager, NITA Mombasa	Mr. Fidelis Odumo
11.	Manager, Accounts	Mr. Julius Ndenge
12.	Manager, Human Resource and Administration	Mr. Sammy Maiyo
13.	Manager, Internal Audit	Ms. Teresa Lagat
14.	Manager, Supply Chain Management	Ms. Elvina Osodo
15.	Manager, Information Communication Technology	Mr. Festus Kitui
16.	Ag. Manager, Assessment and Certification	Mr. Augustine Rono
17.	Ag. Manager Quality Assurance	Mr. Joshua Aburi
18.	Ag. Manager Planning and Risk Management Coordination	Mr. Felix Ogutu
19.	Ag. Manager Industrial Training Development	Ms. Lucy Wambugu
20.	Ag. Manager Research and Curriculum Development	Ms. Phyllis Kiplagat

(e) Fiduciary Oversight Arrangements

The National Industrial Training Board constituted four standing committees to provide oversight as follows:

1. Industrial Training and Strategy Committee (IT&SC)
2. Finance and Levy Administration Committee (FLAC);
3. Human Resource, Governance and Administration Committee (HRGAC),
4. Audit and Risk Management Committee (ARMC)
5. The Board also established an Ad-hoc committee to oversee implementation of the ERP project

The ITSC provides oversight on Industrial Training as well as strategy through the relevant departments namely industrial training development, assessment and certification, curriculum development and management of the Industrial Training Centres, Corporate Communications, ICT and Marketing.

The FLAC provides oversight on all matters related to Finance and Levy Administration. It oversees the budgeting process and Financial Statements, income generating activities including resource mobilization and marketing. The Committee also provides oversight on the operations of the Levy Department, and Supply Chain Management Department. The

HRGAC provides oversight on Human Resource, Governance and Administration of the Authority. Its responsibilities include supporting an adequate, competent and well-motivated workforce. The Committee is also charged with ensuring that other NITA resources (e.g. Offices and pool motor vehicles) are utilized in an optimal manner. It also ensures that tenets of good corporate governance are maintained.

The ARMC provides oversight on risk management, internal controls, external audit, compliance and overall organizational reporting as stipulated in the Audit and Risk Management Committee Charter.

NITA is also guided and complies with circulars giving guidance from the National Treasury as well as any other direction given by the Parent Ministry.

(f) Headquarters

P.O. Box 74494-00200-NAIROBI
Commercial Street-Industrial Area
opposite KEMSA
Nairobi, KENYA

(g) Contacts

Telephone :(254) 720-917897/
(254)-736-290676
E-mail: directorgeneral@nita.go.ke
Website: www.nita.go.ke

(h) Bankers

1. Kenya Commercial Bank Ltd.
Industrial Area Branch
P. O. Box 18031-00500
Nairobi, Kenya

2. National Bank of Kenya Ltd.

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

Harambee Avenue Branch
P.O. Box 41862
City Square 00200
Nairobi, Kenya



(i) Independent Auditors





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

(j) Principal Legal Adviser

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

3. THE BOARD OF DIRECTORS

NAME	QUALIFICATION AND WORK EXPERIENCE
 <p>Hon. Aden Noor Ali, MBS Chairperson – National Industrial Training Board</p>	<p>Academic Qualifications include Bachelor’s degree in Education from Kenyatta University, Executive Master's degree in Leadership and Management from Moi University, and a Master's degree in Tribunal Administration from the Foundation of Administrative Justice in Edmonton, Canada.</p> <p>Experience - six years as Director in the Transport Licensing Appeals Board and chairman of the National Transport Safety Authority Board; 20 years of teaching experience which underscores his dedication to education and capacity-building.</p> <p>As Chairman of Ropisa Foundation, Mr. Aden is deeply passionate about creating job opportunities for the youth through skills empowerment initiatives.</p>
 <p>Samwel Mayaka Independent Director</p>	<p>Bachelors Degree in Engineering Chairman - Finance and Levy Administration Committee</p>

 <p>Dr. Gilda Atieno Odera PhD. Public Policy Administration, MA in Leading Innovation and Change, (University of York St John, United Kingdom) Degree in Sociology (UON)</p> <p>Member National Industrial Training Board Representing FKE</p>	<p>Chairperson – Human Resource, Governance and Administration Committee (HRG&AC) Consultant Director, All About Marketing Ltd Current President, Federation of Kenya Employees</p> <p>Previous Board Positions: Board Member, Universities Funds Board Board Member, NHIF Board Member, Public Procurement Administrative Review Board Council Member, Kirinyaga University Board Member, Kenya National Quality Authority</p> <p>Panel Member & Chair of Business Process Committee in the Health Feb 2019- June 2020 - Reform Panel of Experts, Kenya</p>
 <p>Carolyn C. Rutto Certificate Public Relations (RGI) P1 Certificate (Kericho Teachers T. College)</p> <p>Member National Industrial Training Board Representing COTU (K)</p>	<p>Chairperson – Industrial Training and Strategy Committee (IT&SC) Date of Birth: 26th June, 1969 2nd Assistant Secretary General – Central Organization of Trade Unions, COTU (K). Member - General Wages Council. Member of reconciliation committee Counter Trafficking Advisory Committee (CTIP). National Advisory Committee on person with disability Assistant National Women leader - Kenya Electrical Trades and Allied Union (KETAWU). 2019 to date - County revenue collection coordinator and relationship officer Kenya Power</p>
 <p>Mr. Benson Okwaro</p> <p>Member - National Industrial Training Board representing COTU (K)</p>	<p>Date of Birth: 9th February 1951 Communication Workers Union General Secretary Central Organization of Trade Unions – Deputy Secretary General affiliated to UN Africa – Committee Member / ICT President</p>
	<p>Chairman – Audit and Risk Management Committee (ARMC) National Industrial Training Board Representing FKE Chairman - Labour Sector KEPSA Date of Birth: 24th April 1957</p> <p>Previous Board Positions National President, Federation of Kenya Employers Chairman, Association of Kenya Insurers</p>


**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

<p>Mark Joseph Obuya, EBS, MCI Arb Master of Laws (LL.M) Bachelor of Laws (LLB) Diploma Kenya School of Law Chartered Insurer Certified Trustee Patent Agent (KIPI)</p>	<p>Board Member, Board of Trustees National Social Security Fund Board Member, National Syndemic Diseases Control Council Board Member, National Bank of Kenya Limited Board Member, National Labour Board Board Member/Trustee, Insurance Training and Education Trust (College of Insurance) President/Director, Insurance Institute of Kenya</p>
<div style="text-align: center;">  </div> <p>Rev. Brother Joel Kandie Chebii, OGW Higher Diploma Entrepreneurship Education in Kenya (ILO) Diploma in Vocational and Technical Training of Trainers (ILO) Diploma in Theology</p> <p>Member - National Industrial Training Board representing COTU</p>	<p>Vice Chairman General of COTU Kenya 2000 to 1995: National General Secretary of Tailors and Textiles Workers Union. 1990 to 1986: Elected National Chairman of Tailors and Textiles Workers Union 1986 to 1989 - Assistant National Treasurer for Tailors and Textiles: Workers Union as well as COTU (K) Board member.</p>
<div style="text-align: center;">  </div> <p>Mr. Bernard S. Isalambo MSc. Entrepreneurship</p>	<p>Member - National Industrial Training Board Representing the Principal Secretary, State Department for Vocational and Technical Training, Ministry of Education Director Competency Based Education and Training (CBET) and IGA</p>
<div style="text-align: center;">  </div> <p>Apollo Nganga Kiarri</p> <ul style="list-style-type: none"> • Human Resources Management – Kenya Institute of Management • Labour Studies and Management – The Technical University of Kenya • Member - Institute of Chartered Mediators and Conciliators • Member - Institute of Human Resources Management 	<p>Member - National Industrial Training Board Representing Federation of Kenya Employers Chartered Mediator, professional negotiator, human capital /industrial relations expert, certified trustee and practitioner with over 32 years of employment experience Former CEO of KTDA</p> <p>Previous Board positions; Board Director - National Industrial Training Authority (NITA) Board of Trustee and Chairman - National Industrial Training Authority (NITA) Staff Pension Fund Board Director - Centrofood Industries Ltd (CFI) Board Member - Institute of Chartered Mediators and Conciliators (ICMC) Board Director - Federation of Kenya Employers (FKE) Council Member - Agricultural Sector Network (ASNET)</p>

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

	<p>Board Member and Chairman - Agricultural Employers Association (AEA) Gazetted Member - Agricultural Industry Wages Council Member - Kenya Bureau of Standards (KEBS) National Technical Committee (Tea)</p>
 <p>Dr. Owen Mwaniki Doctor of Philosophy (Ph.D) in Education Administration and Planning Master's in educational administration and Planning Bachelor of Education (Arts) Degree: Economics Diploma in Human Resource Management SLDP, SMC</p>	<p>Member - National Industrial Training Board Representing Principal Secretary, Ministry of Labour & Social Protection</p> <p>Director, Human Resource Management and Development (HRM&D) State Department for Labour and Skills Development, Ministry of Labour and Social Protection</p> <p>Vice-Chairperson of the Board, St. Angelas Girls Secondary School, Kiambu County</p>
 <p>Mr. Rastus Shikuku MBA Finance</p>	<p>National Industrial Training Board Representing Principal Secretary, The National Treasury & Planning.</p> <p>Assistant Director, Budget</p>
 <p>Ms. Theresa K. Wasike Ag. Director General M.A in International Relations (KIEV STATE UNIVERISITY)</p>	<p>Secretary to the National Industrial Training Board (NITB)</p> <p>Acting Director General, National Industrial Training Authority.</p> <p>Over 25 years' experience in Public Administration in various Ministries specifically; -</p> <ul style="list-style-type: none"> - Ministry of Labour and Social Protection, Department for Skills Development - Ministry of Water, Sanitation and Irrigation, - Field Administration, - Ministry of Interior and Coordination of National Government.





**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

 <p>Caroline Musango Ag. Corporation Secretary</p>	<p>Qualifications Master of Laws (LL.M) Bachelor of Laws (LLB) (UoN) Certified Public Secretary of Kenya Diploma Kenya School of Law SLDP, KSG</p>
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RETIREMENT OF BOARD DIRECTORS


There was no retirement of Board Directors during the financial year.

4. MANAGEMENT TEAM





 <p>Theresa K. Wasike M.A in International Relations (KIEV STATE UNIVERISITY)</p>	<p>Ag. Director General</p>
 <p>Jane W. Kamau BSc. Mechatronic Eng. JKUAT MSc Energy Management (University of Nairobi)</p>	<p>Director, Industrial Training & Skills Development</p>
 <p>Gerald Kirimi MSc Science (Finance) BCOM (Finance), CPA(K), SLDP</p>	<p>Director, Corporate Services</p>
 <p>Carolyn Musango LL.M (Corporate Governance) LLB) (UoN), CPS(K) Diploma Kenya School of Law SLDP</p>	<p>Ag. Corporation Secretary</p>




**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

 <p>Mary Wamoko Bachelor of Education, Science (Maths, Computer) Mount Kenya University, Higher –Diploma Electrical Engineering, Technical University of Mombasa, Diploma Technical Education, Kenya Technical Trainers College.</p>	<p>Ag. Director Labour Migration</p>
 <p>Sammy Maiyo MSc Commerce in Internal Business BBA (HRM) Member Institute of Human Resource Management</p>	<p>Manager, Human Resource and Administration</p>
 <p>Julius M. Ndenge MBA from Kenyatta University BCOM Finance, CPA (K)</p>	<p>Manager Accounts</p>
 <p>Dr. Bernard Okemwa Onsero(PhD) Doctorate in Bio-Statistics in Moi University Msc. In Biometry in University</p>	<p>Ag. Manager Levy Administration</p>

 <p>Teresa Lagat MBA from University of Nairobi CFE, CPA (K)</p>	<p>Manager Internal Audit</p>
 <p>Eliva Osodo MBA in Procurement and Supply Chain Management from University of Nairobi, BBA(Entrepreneurship)KEMU Diploma in Procurement and Supply Chain Management</p>	<p>Manager, Supply Chain Management</p>
 <p>Festus Kitui MSc.in Management Information system from the Institute of Technology Australia (IOTA) and BSc. in Mathematics, Physics & Computing from Maseno University.</p>	<p>Manager, Information Communication Technology</p>
 <p>Eng. Festus Musyoki MBA (Project Management) Kenyatta University B. Tech (Textile. Eng) Moi University EBK Member</p>	<p>Centre Manager - NITA Textile Training Institute (NTTI)</p>

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

 <p>Millicent Janet Otom MBA – Daystar University BBM (Marketing) Council Member of Marketing Society of Kenya</p>	<p>Centre Manager- NITA Nairobi</p>
 <p>Augustine Rono Msc. Entrepreneurship</p>	<p>Ag. Manager - Assessment and Accreditation</p>
 <p>Ms. Kabale Buda Bachelor of Business Management (BBM)</p>	<p>Ag. Marketing Manager</p>
 <p>Fidelis Odumo MBA - Marketing (Mt. Kenya University), B.com - Marketing (Kenyatta University)</p>	<p>Ag. Centre Manager, NITA Mombasa</p>

 <p>Zakayo Mutonga Bachelor of Education Kenyatta University</p>	<p>Ag. Centre Manager, NITA Athi River</p>
 <p>Benard Ouma Osongo BA Mathematics and Economics. Post Graduate Diploma in Education. CCNA Certified</p>	<p>Ag. Centre Manager, NITA Kisumu</p>
 <p>Joshua Kibiti M'Aburi MSc. – Project Management, Bachelors of Science, PGD in Education</p>	<p>Ag. Manager, Quality Assurance</p>

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

 <p>Felix G. Ogutu MA. Project Planning, BA. Economics, SMC, SLDP</p>	<p>Ag. Manager, Planning & Risk Management Coordination</p>
 <p>Phyllis Sitienei Kiplagat MBA, Post Graduate Diploma Computer Science, Bachelor of Education (Arts)</p>	<p>Ag. Manager Research and Curriculum Development</p>
 <p>Lucy Wanjiru Wambugu BA. Fashion Design & Marketing</p>	<p>Ag. Manager Industrial Training Development</p>

5. CHAIRMAN’S STATEMENT

The National Industrial Training Authority (NITA) has had a year marked by significant achievements and growth, as outlined in its 2023-2024 Financial Report. This period saw NITA make substantial strides in its mission to enhance skills development and industrial training across Kenya.

One of the most notable accomplishments was the graduation of over 1,000 RPL candidates following the launch of the National RPL Policy. Additionally, the Authority transited the offering of over 600 services through the eCitizen platform facilitating enhanced automation of its services.

The financial report for the period outlines the organization’s progress in achieving its strategic goals, focusing on customer satisfaction, financial sustainability, operational efficiency, and organizational capacity. The organization made significant strides in some areas, notably the certification through Government Trade Test. In alignment with the Bottom-Up Transformation Agenda (BETA), the Authority prioritized skills development as part of Kenya’s socio-economic growth strategy. In the past year, NITA played a key role in providing high-quality industrial training, accreditation, and capacity-building programs that were crucial for equipping the workforce with competencies that match industry demands.

By leveraging NITA’s existing infrastructure and expertise, the Authority recorded the highest number of trade test candidates ever witnessed in a year. Through Recognition of Prior Learning (RPL) the Authority facilitated access to recognition of skills earned informally as well as non-formally especially for youth and underserved communities. Additionally, the Authority successfully collected over Ksh. 833 million, exceeding revenue targets. However, challenges remain in other areas, such as training homecare workers and assessing workers under the Recognition of Prior Learning (RPL) program, where the organization fell short of its targets. Consequently, NITA’s involvement has facilitated the creation of a robust pipeline of skilled workers, driving productivity and supporting Kenya’s ambition to become a regional hub for industrial innovation and sustainable development.

Financially, NITA reported an increase in Industrial Training Levy collections, which was achieved through enhanced collaboration with the Kenya Revenue Authority (KRA). This partnership has been instrumental in improving compliance among employers, leading to higher levy contributions. The number of employers contributing to the levy increased significantly, with a strategic goal set to further grow the number from 35,000 to 61,500 by 2028. This expansion is

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

expected to bolster NITA's financial base, ensuring sustained growth and capacity to deliver on its mandate.

NITA's revenue for the year also showed impressive growth, reflecting its ongoing efforts to improve financial sustainability. The organization reported an annual revenue target increase from Kshs. 2 billion to Kshs. 3.683 billion by 2028, highlighting its robust financial health and the effectiveness of its revenue enhancement strategies.

These achievements are further supported by NITA's strategic initiatives to enhance operational automation and efficiency. The focus on digitizing processes and improving governance structures is expected to lead to better service delivery and a more streamlined operational framework.

Overall, NITA's achievements during the 2023-2024 financial year underscore its commitment to advancing Kenya's industrial training sector. With significant financial growth, the establishment of new training centers, and a clear strategic direction, NITA is well-positioned to continue making a substantial impact on the industry in the coming years.

Thank you.



Hon. Aden Noor Ali, MBS

National Industrial Training Board- Chairman

6. REPORT OF THE DIRECTOR GENERAL

The National Industrial Training Authority (NITA) appreciates the support provided by the Government and the Development Partners as the Authority endeavours to fulfil its mandate. I am therefore pleased to present to you the Authority's Annual Report and Financial Statement for the Financial Year ended 30th June 2024. The report provides a comprehensive summary of an organization's progress in achieving its strategic goals, highlighting key areas such as customer satisfaction, financial sustainability, operational efficiency, organizational capacity development, and leadership. Each of these strategic goals was pursued through specific objectives, with measurable outcomes providing a clear picture of the organization's successes and challenges.

The Authority's focus on customer satisfaction and inclusivity is evident in its efforts to implement training programs under the Bottom-up Economic Transformation Agenda (BETA). The Authority has made significant strides within the past year towards supporting the Governments initiatives for BETA. Notably, in the core pillar for Housing and Settlement, the Authority has facilitated the quantification and recognition of skills possessed by workers in the Affordable Housing Program (AHP). The Authority spearheaded the onsite assessment and subsequent certification of over 1,000 candidates in various trade areas within the AHP construction sites. Additionally, in the Micro, Small and Medium Enterprise (MSME) Economy core pillar, the Authority is empowering highly skilled artisans in the Jua Kali Sector through recognition of their skills and certification at various levels. The Recognition of Prior Learning (RPL) has offered the informal sector skilled workers with an opportunity to access the much-needed certification of their skills to mitigate against their exploitation and offer them access to progression and improved employment opportunities.

Remarkably, the organization exceeded its target for certification through trade test by certifying 76,659 individuals against a target of 65,000. Conversely, the organization exceeded its target of approving training for 40,000 workers in various industries, ultimately approving training for 62,570 workers. These outcomes illustrate a strong commitment to customer satisfaction and inclusivity, while also highlighting areas where further efforts are needed to meet the set targets fully.

I am pleased to report that financial sustainability was another critical area where NITA aimed to optimize resource utilization and enhance revenue collection. The Authority successfully absorbed 87.17% of the funds allocated by the government, demonstrating effective financial management. However, the absorption rate of externally mobilized resources was significantly

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

lower, at only 8.79%, indicating a challenge in fully leveraging external funding. Despite this, the organization exceeded its revenue collection targets across several streams. It collected Ksh. 833,939,048.15, surpassing the target of Ksh. 731,800,000. Additionally, the Industrial Training Levy, a crucial source of funding, generated Ksh. 1,216,070,725.79, which was successfully collected and disbursed. The organization also improved revenue collection from training fees at Industrial Training Centers (ITCs), raising Ksh. 193.33 million. These financial outcomes underscore the organization's commitment to maintaining financial sustainability, even as it faces challenges in optimizing external funding.

Enhancing operational efficiency was a key goal, with efforts concentrated on improving service delivery and addressing public complaints. The organization achieved full implementation of the Citizens' Service Delivery Charter, reflecting a dedication to upholding high standards of service. Moreover, it resolved 81.65% of public complaints, a significant accomplishment in maintaining stakeholder trust and satisfaction. In promoting inclusivity within its procurement processes, the organization achieved an 18.11% success rate in Access to Government Procurement Opportunities (AGPO) for youth and women, although this fell short of the target. The organization also focused on promoting local content in procurement, achieving a 38.47% success rate against the target. Road safety initiatives were also fully implemented at the Authority, showcasing the organization's comprehensive approach to enhancing operational efficiency across multiple domains.

Effective leadership, governance, and risk management were prioritized to ensure that the organization operates with integrity and accountability. The full implementation of National Cohesion and Values, with a 100% achievement rate, highlights the organization's commitment to fostering a cohesive and value-driven organizational culture. This accomplishment underscores the importance of strong governance frameworks in achieving the organization's strategic goals and maintaining a stable, ethical, and inclusive work environment.

Ultimately, I am confident that the Authority has made significant progress toward its strategic goals, this report serves as both a record of accomplishments and a roadmap for addressing the challenges to ensure that the Authority continues to build on its successes while striving for continuous improvement in all areas of its operations.

Thank you.


Theresa K. Wasike (Ms)

Ag. DIRECTOR GENERAL

7. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2023/2024

NITA has five Balanced Score Card Perspectives namely, Customer, Financial, Internal Business Processes, Organizational Capacity / Learning and Growth and Leadership, Governance and Risk. The Authority has five Strategic themes within the Strategic Plan 2023-2028. The Strategic theme are:

- a) Customer perspective - Customer satisfaction and inclusivity;
 - Grow number of employers contributing to the levy from 35,000 to 61,500 by 2028, employees contributing to the levy from 1.2m to 3.7m in 2028, annual trainees from 196,769 to 332,965 and training providers from 788 to 1,244 in 2028.
 - Enhance brand management and visibility
 - Enhance reimbursement of training levy
- b) Financial - Sustainability,
 - Grow annual revenue from Kshs 2bn to Kshs 3.683bn by 2028.
 - Enhance efficiency and effectiveness in resource utilization
- c) Internal Business Processes - Enhanced operational efficiency
 - Enhance Automation, operational efficiency and performance
- d) Organizational Capacity / Learning and Growth - Shared prosperity
 - Attract, develop, engage and retain competent staff compliment
- e) Leadership, Governance and Risk- Effective leadership, governance and risk management
 - Strengthen leadership, governance and risk management

NITA develops its Corporate Work Plan based on the five Perspective, five (5) Strategic theme and eight (8) strategic goals and the seven (7) Strategic Objectives. Assessment of the Board's performance against its annual Corporate Work Plan is done on quarterly basis mainly through the Performance Contracting System. The Authority achieved most of the performance targets set for the FY 2023/2024 period for its five BSC perspective and seven Strategic goals as indicated in the diagram below:

Strategic goals	Objective	Key Performance Indicators	Activities	Achievements
1. Customer satisfaction and inclusivity	To Develop and implement training programs for Bottom-up Economic Transformation Agenda	Number of persons assessed against a target of 65,000	<i>Assess and certify competencies of 65,000 persons through Government Trade Test (GTT)</i>	76,659
		Number of homecare workers trained and certified against the target of 80,000	<i>Coordinate training and certify 80,000 workers through Homecare management</i>	35,947
		Number of workers accessed and certified under RPL against the target of 6,000	<i>Assess and Certify 6,000 workers from the formal and informal sector through RPL</i>	1,294
		Number of workers approved for training	<i>Approve training of 40,000</i>	62,570

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

		against the target of 40,000	<i>workers in Industry</i>	
2. Financial	<i>To enhance Financial Sustainability</i>	% absorption of allocated funds	Absorption of Allocated Funds (GOK)	87.17%
		% absorption of Externally Mobilized Resources	Absorption of Externally Mobilized Resources	8.79%
		Amount of money collected against a target of Ksh.731,800,000	A-In-A	Ksh: 637,331,119
		Amount of levy collected and disbursed	Collection and disbursement of Industrial Training Levy Enhanced	Ksh: 1,238,148,619
		Amount collected from training fees at ITCs	Collection of training fees from Trainees at ITCs increased	Ksh. 193.33M
3. Internal Business Processes	Enhanced operational efficiency	% implementation of service delivery charter	Implementation of Citizens' Service Delivery Charter	100%
		% of complaints resolved	Resolution of Public Complaints	81.65%
		% AGPO by youth and women	Access to Government Procurement Opportunities (AGPO) against a target of Ksh 223.6 m	18.11%
		% promotion of local content in procurement	Promotion of Local Content in Procurement against a target of Ksh 298.13M	38.47%
		% Road Safety Mainstreaming	Implement Road safety at the Authority	100%
4. Organizational Capacity / Learning and Growth	Shared prosperity	Number of NITA staff trained	Competence Development	166
5. Leadership, Governance and Risk	Effective leadership, governance and risk management	% National Cohesion and Values	Implement National cohesion and value at the Authority	100%

8. CORPORATE GOVERNANCE STATEMENT

The Board of Directors recognizes the importance of applying the highest standards of corporate governance as a key contributor to its long-term success, long term value and prosperity. This promotes balancing the interest of all stakeholders. It provides the framework for attaining the Authority’s objectives and ensures sustainability.

The Board

The size, composition and appointments of the Members of the Board are prescribed in the Training and Industrial Act. The Board comprises eleven (11) non-executives board directors. Each member serves for a maximum of two terms of four (4) years each.

NO.	COMMITTEE NAME	MEMBERSHIP
1.	Audit and Risk Management Committee- ARMC	1. Mr. Mark Obuya – Chair 2. Mr. Benard Isalambo 3. Rev. Joel K. Chebii OGW 4. Mr. Apollo Kiarie
2.	Finance and Levy Administration Committee- FLAC	1. Mr. Samwel Mayaka - Chair 2. Dr. Owen Mwaniki 3. Ms. Gilda Odera 4. Mr. Benson Okwaro 5. Mr. Rastus Shikuku
3.	Human Resource, Governance and Administration committee- HRG& C	1. Dr. Gilda Odera - Chair 2. Rev. Joel Chebii OGW 3. Ms. Carolyn Rutto 4. Dr. Owen Mwaniki 5. Mr. Rastus Shikuku
4.	Industrial Training and Strategy committee - IT&SC	1. Ms. Carolyn Rutto - Chair 2. Mr. Benson Okwaro 3. Mr. Samwel Mayaka 4. Mr. Apollo Kiarie 5. Mr. Benard Isalambo

The Board is charged with the following responsibilities:

- a) Defining the purpose of the National Industrial Training Authority, that is, its strategic intent and objectives, and its values which should be clear, concise and achievable;
- b) Strategy formulation and ensuring there are appropriate policies, systems and structures to effectively and successfully implement the strategies;
- c) Providing leadership within a framework of prudent and effective structures which enable risks to be assessed;
- d) Identify the opportunities as well as the principle risks in its operating environment including the preparation of the risk policy plans/risk management policies and implementation of appropriate measures to manage such risks or anticipated impact on the corporate business;
- e) Review on a regular basis the adequacy and integrity of the internal controls, acquisition and divestures, management information systems including compliance with applicable laws and regulations;
- f) In discharging its obligations, the Board assumes responsibility in the following areas:

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

- (i) Retaining full and effective control over NITA, and monitoring management in implementing Board plans and strategies;
- (ii) Ensuring ethical behaviour and compliance with relevant laws and regulations, audit and accounting principles, and NITA's own governing documents and Code of Ethics;
- (iii) Defining levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to management and instituting effective mechanisms that ensure Board responsibility for management performance of its functions; among other mandates and Kisumu as stipulated in the Industrial act.

PROCESS OF APPOINTMENT AND REMOVAL OF DIRECTORS

The appointment and removal of Board directors was undertaken as stipulated under the Industrial Training Act Chapter 237.

BOARD TRAINING AND DEVELOPMENT

The Board directors underwent various training programs geared towards enhancing their skills and knowledge in governance and leadership roles. The training programs were particularly designed to enhance performance of the committees in executing their respective Terms of Reference.

BOARD CHARTER

The Board initiated review of the Board Charter to align with the current Government policies and directives on management of State Corporations. This will enhance the effectiveness of Board processes and the overall governance framework of the Authority.

BOARD COMMITTEES

The Board has established the following committees;

- Industrial Training & Strategy committee
- Human Resource, Governance & Administration committee
- Finance & Levy Administration Committee
- Audit & Risk Management Committee

FINANCE & LEVY ADMINISTRATION COMMITTEE.

Terms of reference for the committee include;

- Approve and maintain budgetary systems of Authority.
- Oversee financial reporting process & internal controls
- Monitor the financial reporting process to ensure compliance.
- Review, approve or recommend to the Board on matters pertaining to investments.
- Oversee levy administration activities
- Oversight operations of the Supply chain management

HUMAN RESOURCE, GOVERNANCE & ADMINISTRATION COMMITTEE.

The term of reference for the committee include;

- To approve recommendations on terms and condition of employment in the Authority, recruitment functions and staff appraisals.
- To ensure effective management, succession planning and management development plans are in place.
- Approve programs & policies involving the overall compensation of employees & Authority's collective bargaining agreement.
- Regularly assess staff benefit plans including new trends
- Review & monitor corporate performance against approved targets.

INDUSTRIAL TRAINING & STRATEGY COMMITTEE

The terms of reference for the committee include;

- To develop strategies for industrial training
- Ensure that implementation of Industrial Training is effective & efficient
- Advice on terms & conditions of industrial training providers.
- Develop regulations to facilitate effective industrial training
- Monitor Industrial training & advice on Industrial training.
- Oversight ICT and strategy activities

AUDIT & RISK MANAGEMENT COMMITTEE.

The terms of reference for the committee include;

- Establish a NITA’s risk management policy.
- Create an understanding and ensure risk management practices at NITA.
- Review the scope & planning of the external audit.
- Review the annual financial statements of the Authority

SUMMARY OF BOARD AND BOARD COMMITTEE MEETINGS FOR FINANCIAL YEAR 2023/2024

The following is a summary of the meetings of the Board and its Committees that took place for the year under review:

S/No.	Board / Committee	No. of Meetings
1	National Industrial Training Board	<ul style="list-style-type: none"> • 5 scheduled meetings • 8 special meetings
2	Finance and Levy Administration Committee	<ul style="list-style-type: none"> • 4 scheduled meetings • 2 special meeting
3	Human Resource, Governance and Administration Committee	<ul style="list-style-type: none"> • 4 scheduled meetings • 3 special meetings
4	Industrial Training and Strategy Committee	<ul style="list-style-type: none"> • 4 scheduled meetings
5	Audit and Risk Management Committee	<ul style="list-style-type: none"> • 4 scheduled meetings • 4 special meeting
6	AD HOC Committee-ERP	<ul style="list-style-type: none"> • 6 scheduled meetings

9. MANAGEMENT DISCUSSION AND ANALYSIS

The National Industrial Training Authority management team oversees development and implementation of annual budget approved by the National Industrial Training Board (NITB). NITA Management therefore monitors the use of funds in line with the approved budget and Corporate Work Plan during the financial year. The Authority makes quarterly reports on budget utilization which are submitted to the Board of Directors, Parent Ministry and to The National Treasury. The reports indicate the achievements by the Authority, the challenges experienced during the implementation period and makes recommendations for overcoming the challenges.

The Management also gives advice to the Board of Directors on issues related to its budget implementation such as low absorption of funds and revenue performance. This therefore promotes accountability in the use of financial resources.

Compliance with Statutory Requirements

The process of budget implementation ensures compliance to the Public Financial Management (PFM) Act 2012 and all other statutory requirements. NITA Management has continued to improve its financial management system to ensure that financial records of the Authority are accurate and offers a true reflection of the financial position.

During the year under review, the Authority reported an increase in Industrial Training levy collections by 29% compared to the previous year. The increase is attributed to the NITA-KRA collaboration. The management further recognises that the Training levy collection for the period under review is 10% below the budget. This under achievement of budget can be attributed to challenges faced by the Authority due to many organizations non-compliance to pay the Industrial Training Levy and the political risk. In order to mitigate on this non-compliance, the Authority in consultation with FKE is holding sensitization forums with employers across the country to educate them about the benefits of being compliance with the Industrial Training Levy payments. The Unified Payroll Returns (UPR) introduced in January 2021 through a Government initiative on ease of doing business in the country saw the Authority partner with KRA in collection of Industrial Training Levy. The Authority is also contemplating recovering Industrial Levy contribution in arrears by enforcement of the Act and recover with interest and penalties all outstanding levy contributions due to the Authority. The authority has therefore continued to improve its customer relations with employers, which has been achieved through closer liaison with the Authority's stakeholders. From the implementation of 2023/24 FY budget, it was clear that about 52% of the total revenue to the Authority was realized from Industrial training levy, Government grants and subsidies 21% while revenue from rendering of services 25%, Industrial Training Levy at 25%, Interest on Call deposits 1% and other incomes 2%.

Total Revenue Collection

Figure 1.0 Total revenue proportions collected for the year 2023/2024

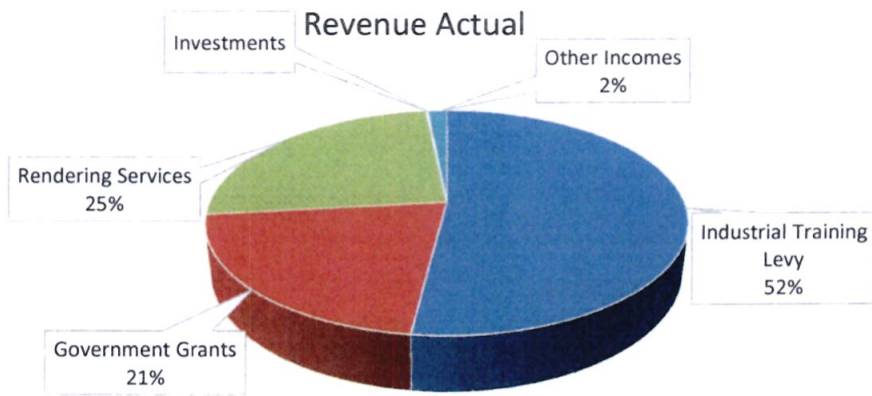
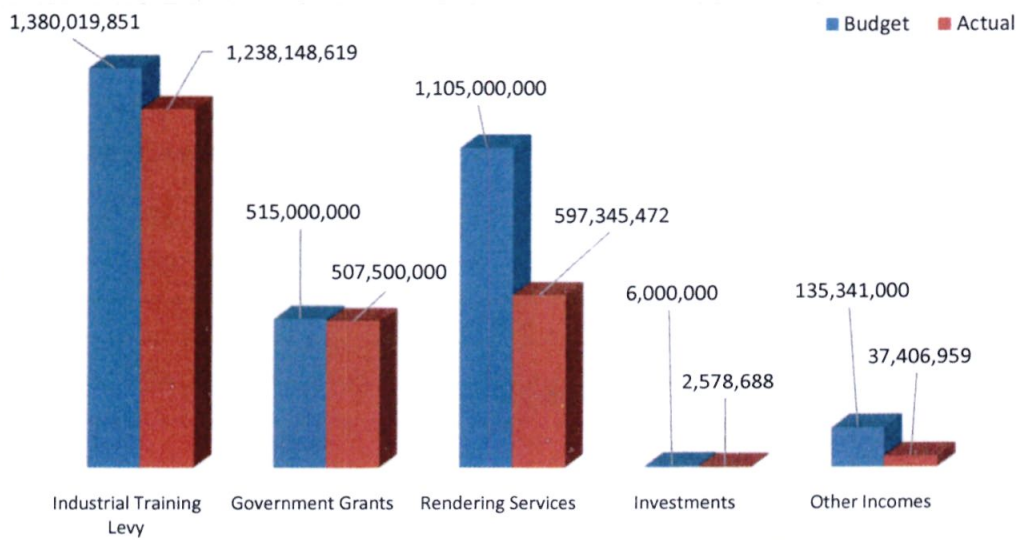


Figure 1.1 Budget vs Actual revenue amounts collected for the year 2023/2024



**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

Figure 1.2 Actual revenue collected 2023-2024 Vs 2022-2023

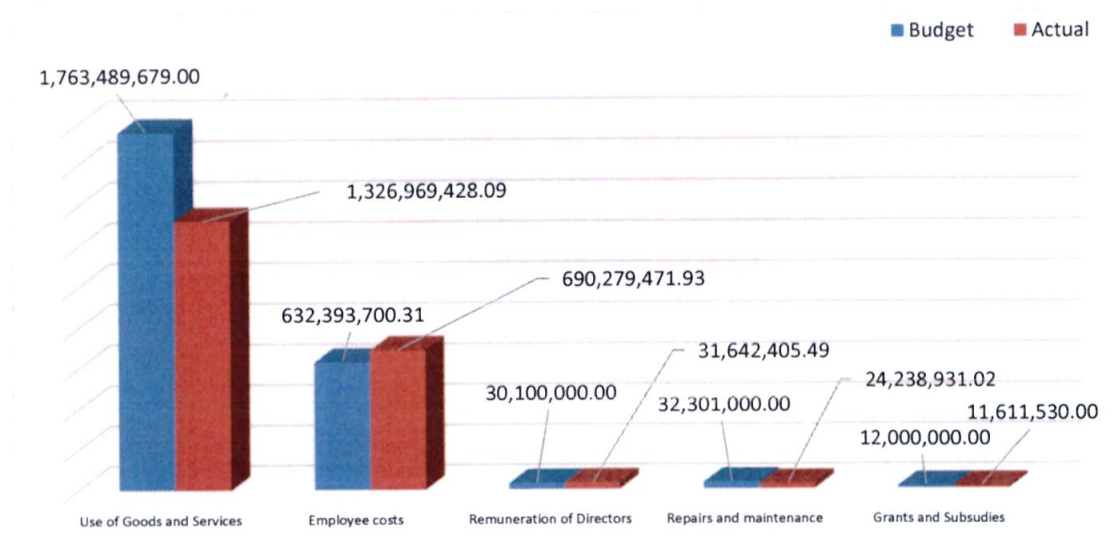


Figure 2.0 Budget vs Actual Expenditure for 2023/2024

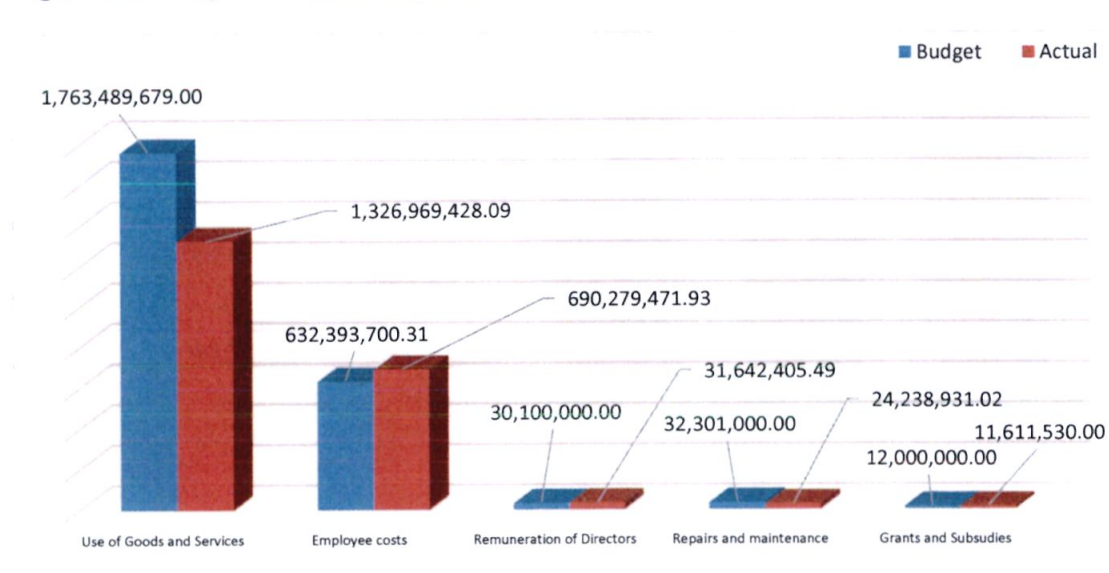
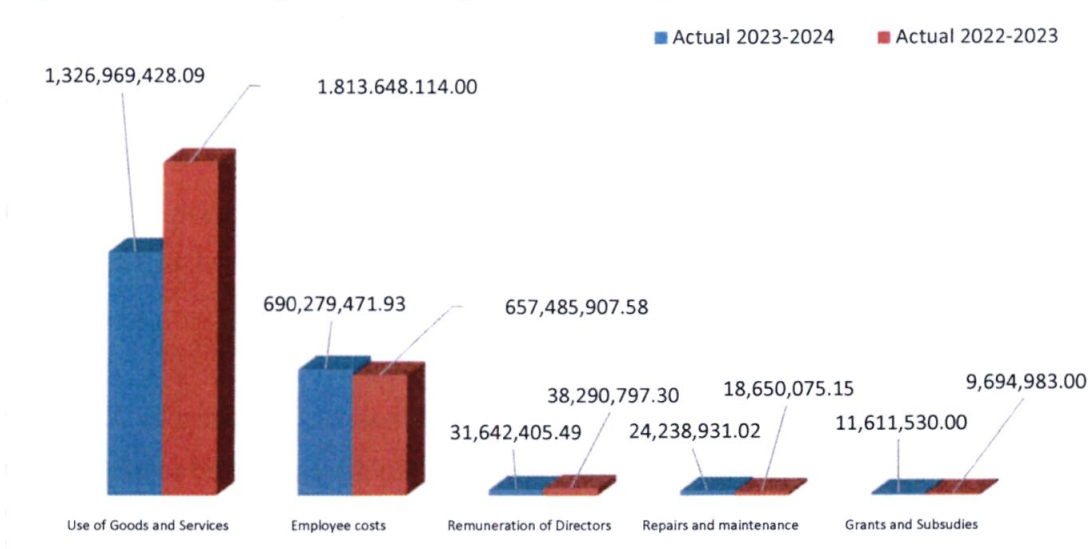


Figure 2.1 Actual Expenditure comparison for the year 2023/2024 vs 2022/2023



The major risk facing the National Industrial Training Authority are financial and operational risks associated with the Authority’s mandate. During the financial year 2023/2024 the management updated and monitored the risk profiles for each of the operating businesses and major projects to identify the nature and likelihood of its occurrence for specific material risks, key controls that are in place to mitigate and manage the risks, sources and levels of assurance provided on the effective operations of key controls and responsibilities for managing risks. Therefore, the risk framework, policies and procedures will continue to be enhanced as the Authority’s existing operations develop and its range of activities expand.

10. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

i) Sustainability Strategy and Profile

The annual report on NITA's sustainability strategy and profile for CSR support to the youth encapsulates our unwavering dedication to creating a brighter, more inclusive future. The stories of empowerment and transformation stand as testament to the impact of our initiatives. As NITA continues to forge ahead, we remain committed to fostering an environment where everyone has the chance to realize their potential, contribute meaningfully, and be an integral part of Kenya's journey towards sustainable progress.

ii) Environmental performance

NITA participated in a Tree-Planting exercise at Ngong Forest, Lenana Block in a bid to accelerate the Presidential Directive on 15 Billion trees by 2032. Kenya's national tree cover is currently at 12.13% and forest cover at 8.83% which is relatively

National Industrial Training Authority – Annual Reports and Financial Statements For the year ended June 30, 2024

low compared to neighbouring countries. The Presidential Directive is aimed at attaining 30% national tree cover by 2032, which calls for radical action to accelerate to achieve. The exercise, organized by National Environment Trust Fund (NETFund) was aimed at spurring broad institutional and multi-stakeholder participation in accelerating the achievement of the Directive. The event also aimed to sensitize state corporations on the need for them to implement the directive.

NITA is cognizant that the journey towards achieving a 30% national tree cover by 2032 requires commitment, radical action and collective responsibility. We are committed to embracing this challenge as a chance to shape a better future for ourselves and the generations to come.

The National Industrial Training Authority (NITA) planted 18,060 seedlings in Kisumu, Mombasa, and Bomet/Nyamira as part of a Presidential Directive on tree growing. Activities involved 126 staff and stakeholders, with a target of 30 trees per staff member by the fiscal year's end. Efforts included mobilizing stakeholders for three annual tree-growing events. Progress aligns with environmental restoration goals.

iii) Employee welfare

The Authority's recruitment process is guided by the internal Human Resource Policy and Procedure Manual that is based on a human resource plan that is reviewed every year within the approved establishment. The policy sets out key principles to be taken into account when recruiting including adherence to affirmative action, gender and persons living with disability and national values. The Authority observes gender mainstreaming, balance on appointment, promotion and ensures that a minimum of a third (1/3) are of either gender. The gender ratio for the Authority is evenly distributed with 53.33% male and 46.67% female which is well above the 33% threshold provided by the Constitution. The policies are reviewed after every three years and involve staff representatives and public participation is undertaken prior to implementation.

On improvement of skills, the Authority has undertaken a comprehensive institutional skills gap analysis, that has ensured identification of critical skills gaps that require staff to be undertaken through re-skilling and upskilling. This is undertaken through training needs assessment which culminates in the development of a training plan. In the financial year 2023/2024, the Authority was able to train ninety-eight (98) staff.

Additionally, the HR Policy and Procedure Manual spells out the manner in which staff are to be appraised. The Authority undertakes and adheres to continuous, mid-year and annual performance appraisal regime to improve entrenched performance culture. Further, employees are afforded an opportunity to further their careers based on a clearly established career progression for each cadre of staff in the Authority. It enumerates the minimum requirements for each position and guides staff on how they should progress career wise.

On safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.), the Authority is registered to operate from the Directorate of Occupational Safety and Health. Additionally, there is an established Safety and Health Committee's (HQ, Centers) to oversee issues of health & safety at the workplace

iv) *Market place practices-*

NITA has endeavoured to maintain best market place practices in the following areas;

a) *Responsible competition practice.*

NITA endures to maintain good supply chain practices by ensuring competitive and transparent procurement of goods , services and works.

These are procured by employing the different methods of procurement depending in line with the approved budgets as provided for in the PPADA 2015.

b) *Responsible Supply chain and supplier relations*

NITA also maintains and continuously updates the list of suppliers and pays attention to inclusivity by ensuring 30% of the procurement plan is set aside for the special group(AGPO).

The suppliers are then paid from time to time depending on the supplies and deliveries received.

c) *Responsible marketing and advertisement*

The Authority (NITA) has endeavoured to uphold ethical Marketing practices in all its awareness creation campaigns e.g., whether products/services advertisement or outreach activities by making sure that the intended products and services visibility and awareness is achieved among various customer types without infringing on their rights as customers/ clients. To ensure we remain ethical over the time, we have made sure that:

- 1) All the regions of the market across the country are reached equitably, in a language that they understand through informed marketing segmentation
- 2) All the marketing information we send out is true, verifiable and the promises made are not exaggerated but deliverable, such that the target customers can follow up to claim access to the promised attributes in the products and services they desire from the Authority at the promised rates and location
- 3) We provide the target clients with all working contacts including website address, email and working phone contact to able them reach the Authority for the products and services and take it upon us to respond to all concerns, feedback, complaints and compliments in a timely, personalized and transparent manner.

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

- 4) We clearly differentiate NITA products and services from the other available alternatives, and give price details in a clear manner with no hidden costs. We do not make demeaning comparisons with our competitors to belittle or bad-mouth their offerings
- 5) We present all products and services attributes clearly in all marketing campaigns without generalization to bring out clearly the info needed by clients on the products for their informed decisions.
- 6) In cases where we have to use customer's images and data to bring out success stories, we ensure we get their signed consent and commit to keep their personal info and data safely and secure.
- 7) We inform and remind the customers on any new products launched, relaunched or revamped for the benefits

d) Product stewardship

The Authority's offerings are mainly services and in this regard The Authority has put in place measures to ensure that it's operations are environmentally safe and does not pose any health and safety concerns to stakeholders. These measures include operationalization of Quality Management System (QMS) to adhere to the regulatory/statutory and own voluntary requirements to uphold highest standards in the quality and efficiency of industrial training and related functions.

v) Corporate Social Responsibility - NITA Female Engineering Programme

National Industrial Training Authority's Corporate Social Investment is in form of sponsorship of 25 Kenyan female students from needy backgrounds annually to pursue engineering courses at craft, certificate and diploma levels in an effort to reduce gender disparity in technical/engineering disciplines as a part of its Corporate Social Investment. Through this affirmative action, this programme has benefitted over two hundred and fifty (250) Kenyan students across the country to date.

The Female Engineering Training Programme is National Industrial Training Board initiative which was conceived out of a report on an overseas study tour to fifteen (15) countries with best levy practices in 2005. The objective of the programme was to address the observed gender imbalance in the engineering profession by supporting deserving and needy females to undertake engineering training.

Selected candidates are placed in NITA Centres, other National Polytechnics and Technical Training Institutions. The students have undertaken various courses in electrical engineering

(electronics, telecoms and computer), mechanical engineering (plant option and production), land survey, quantity survey, civil engineering, agricultural, and chemical engineering.

Criteria for selection of trainees is based on academic qualifications, and neediness of applicants from Arid and Semi- arid Land [ASAL] areas. Targeted ASAL areas are: Mandera, Turkana, Lamu, Wajir, West Pokot, Kwale, Ijara, Tana River, Garissa, Isiolo, Marsabit, Samburu, Elgeyo - Marakwet, Suba, Kajiado, Kilifi, Taita Taveta, Teso, Mt. Elgon, Kitui, Mwingi, Tharaka, Mbeere, Transmara, Makueni, Kuria and Marigat.

Most females from these marginalised areas fail to take physics in high schools therefore leaving the subject to be male dominated, a factor which has contributed to a lower number of applicants from these regions.

Through the Female Engineering Sponsorship Committee, which operates under the Corporate Communication department and oversees the day-to-day running of the program, the Authority is working to develop intensive outreach programs in these areas to sensitize the locals to the importance of taking technical courses

11. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the National Industrial Training Authority affairs.

Principal activities

The Principal activities of the Industrial Training Authority are:

- Industrial training;
- Assessing and collecting industrial training levy and fees;
- Regulating trainers registered under section 7C of the Act
- Developing industrial training curricula;
- Integrating labour market information into skills development;
- Harmonizing curricula and certificates of competence;
- Assessing industrial training, testing occupational skills and awarding certificates
- Including Government trade test certificates;
- Equating certificates;
- Accrediting institutions engaged in skills training for industry;

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

- Associating or collaborating with any other body or organization within or outside Kenya as the Board may consider desirable or appropriate and in furtherance of the purposes for which the Authority is established;

Directors

The members of the Board of Directors who served during the year are shown on page vi to page ix.

Auditors

The Auditor General is responsible for the statutory audit of the National Industrial Authority in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board



Corporate Secretary
Nairobi

Date... 11/12/2024

12. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2013 and section 14 of the State Corporations Act, under the Industrial Training Act Chapter 237 require the Directors to prepare financial statements in respect of that National Industrial Training Authority (NITA) which give a true and fair view of the state of affairs of NITA at the end of the financial year and the operating results of the NITA for that year. The Directors are also required to ensure NITA keeps proper accounting records which disclose with reasonable accuracy the financial position of NITA. The Directors are also responsible for safeguarding the assets of NITA.

The Directors are responsible for the preparation and presentation of the NITAs financial statements, which give a true and fair view of the state of affairs of NITA for and as at the end of the financial year ended on June 30, 2023. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of NITA
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of NITA
- (v) selecting and applying appropriate accounting policies; and

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**

(vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for NITA 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 Industrial Training Act Chapter 237


The Directors are of the opinion that NITA financial statements give a true and fair view of the state of NITA transactions during the financial year ended June 30, 2024, and of the NITA's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for NITA which have been relied upon in the preparation of the NITA's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

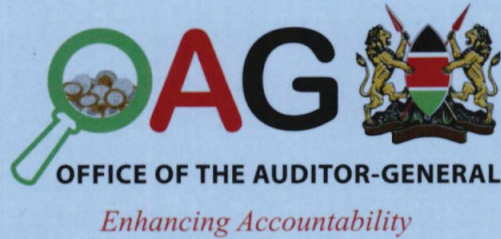
NITA financial statements were approved by the Board on 27th September 2024 and signed on its behalf by:


Chairman of the Board


Director General

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL INDUSTRIAL TRAINING AUTHORITY FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Industrial Training Authority set out on pages 1 to 33, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in

net assets, statement of cash flows and 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 National Industrial Training Authority as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Industrial Training Act, 2022 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Training Levy

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects training levy revenue of Kshs.1,287,778,796. However, the annual report from Kenya Revenue Authority (KRA) in support of the amount on the collections made was not provided for audit review. This contrary to Paragraph 4.2.1(c) of the Service Level Agreement between the KRA and the Authority which states that annual report on the training levy collected shall be submitted not later than the 25 day of July of the following financial year.

In this circumstance, the accuracy and completeness of training levy amount of Kshs.1,287,778,796 could not be confirmed.

2. Land Without Ownership Documents

The statement of financial position and as disclosed in Note 21 and 23 to the financial statements reflects property, plant and equipment balance of Kshs.9,186,592,400. Included in the balance is land value of Kshs.6,608,300,000. However, as previously reported title deeds for the parcels of land have not been acquired. Further, land in Mombasa measuring 12.91 hectares valued at Kshs.1,260,000,000 belonging to the Authority was irregularly allocated to a private developer in exchange of another parcel of land measuring 6.2 hectares. However, the matter has is disclosed in the financial statements and no effort has been made to reclaim the irregularly allocated land.

In the circumstances, the accuracy, ownership and fair presentation of land balance of Kshs.6,608,300,000 could not be confirmed.

3. Failure to Revalue Fully Depreciated Motor Vehicles and Lack of Ownership Documents

The property, plant and equipment balance of Kshs.9,186,592,400 is net of fully depreciated sixteen (16) motor vehicle with historical cost of Kshs.98,585,575. The motor vehicles although fully depreciated are still in use and benefits continue to accrue to the

Report of the Auditor-General on National Industrial Training Authority for the year ended 30 June, 2024

Authority. However, Management has not revalued the motor vehicles to obtain the fair value contrary to Paragraph 44 of IPSAS 17 which states that after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Further, four (4) motor vehicles lack ownership documents while another twelve (12) have ownership documents in names other than the Authority as they are yet to be transferred.

In the circumstances, the accuracy, rightful ownership and fair presentation of property, plant and equipment balance of Kshs.9,183,299,172 could not be confirmed.

4. Disclosures on Deposits Held in Collapsed Banks

Note 25(a) to the financial statements discloses deposits and corresponding provision for deposits held in collapsed collapsed banks amounting to Kshs.129,466,000. However, the disclosure has been made separately from cash and cash equivalents contrary to the requirement of IPSAS accrual reporting framework.

In the circumstances, the disclosures on deposits held in collapsed banks is inaccurate and not IPSAS accrual reporting compliant.

5. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 18 to the financial statements reflects receivable from exchange transaction balance of Kshs.243,547,961 which includes bounced cheques worth Kshs.18,758,885. The receivables that have been outstanding since the year 2015. However, no effort has been made to recover the same contrary to Regulation 64(1) (a) and (b) of Public Finance Management (National Government) Regulation, 2015 which states that an accounting officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all national government revenue and other public moneys relating to their Ministries, departments or agencies and adequate measures, including legal action where appropriate, are taken to obtain payment.

In the circumstances, the accuracy of recoverability of the long outstanding receivables from exchange transactions of Kshs.18,758,885 could not be confirmed while Management was in breach of the law.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Industrial Training Authority 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

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.3,141,360,851 and Kshs.2,382,979,738 respectively resulting in revenue shortfall of Kshs.758,381,113 or 24% of the budget.

The revenue shortfall affected the planned activities and may have impacted negatively on service delivery to the public.

2. Long Outstanding Trade and other Payables from Exchange Transactions

The statement of financial position and as disclosed in Note 24 to the financial statements reflects trade and other payables balance of Kshs.880,318,468 out of which payables of Kshs.334,831,885 have been outstanding for more two years. Management has not rendered explanations for failure to settle the bills. This was contrary to Regulation 42(1) of the Public Finance Management (National Government) Regulations, 2015, which states that debt service payments shall be a first charge and the Accounting Officer shall ensure this is done to the extent possible that the entity does not default on debt

Failure to settle bills during the year to which they relate to adversely affects the budgetary provisions for the subsequent year as they form a first charge.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

In the audit report of the previous year, 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. However, the Management has not resolved these issues as at 30 June, 2024.

Other Information

The Directors are responsible for the Other Information set out on page iii to xxxv which comprise of Key Entity Information and Management, The Board of Directors, Management Team, Chairman's Statement, Report of the Director General, Statement of Performance Against Predetermined Objectives for the FY 2023/2024, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors and the Statement of Directors'

Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Authority'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. Based on the audit procedures performed, I confirm that Other Information is not materially inconsistent with the financial statements.

Missed Performance Targets

Review of the statement of performance against pre-determined objectives revealed that the Authority target for appropriation in aid was Kshs.731,800,000 but collected Kshs.637,331,119 resulting in under collection of Kshs.94,468,881 or 12%.

In the circumstances, Management did not achieve the pre-determined performance objectives.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unapproved Budget

The statement of comparison of budget and actual amounts for the year ended 30 June 2024 reflects final revenue budget of Kshs.3,141,360,851 and total expenditure final budget of Kshs.3,158,287,648 which includes total recurrent expenditure budget of Kshs.2,505,784,379 and capital expenditure budget of Kshs.652,503,269. However, budget approval by Cabinet Secretary, State Department of Labour and Skills Development for the 2023/2024 financial year was not provided contrary to Chapter 3.2.6 of Authority's Finance Manual which states that the approved budget shall then be submitted to the Treasury through the relevant Ministry not later than the end of January of the period preceding that to which the budget relates. Further, the Board minutes dated 20 July, 2023 provided were signed by one person out of three who are supposed to sign.

In addition, the total final revenue budget of Kshs.3,141,360,851 differs with total expenditure final budget of Kshs.3,158,287,648 contrary to Regulation 33 (c) of Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, the following guidelines shall be observed at all times during budget formulation and approved budget shall be balanced.

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

2. Board Expenses Exceeding the Set Ceilings

The statement of financial performance and as disclosed in Note 13 to the financial statements reflects remuneration of directors of Kshs.31,642,405 which exceeds the Kshs.30,000,000 board expenses budget cap by Kshs.1,642,406 contrary to Office of the President circular Ref: OP/CAB.9/ 1A dated 11 March, 2020 which states that in furtherance of the budget rationalization exercise undertaken by the National Treasury early this year, it has been decided that board expenses for a financial year shall be capped at Kshs.30 million or 5% of the operations and maintenance budget of the State Corporation, whichever is less. Any amount exceeding budgets shall require approval of the Cabinet Secretary for the National Treasury.

In the circumstances, Management was in breach of law.

3. Failure to Prepare and Submit Financial Statements for the Authority's Staff Car Loan and Mortgage Schemes

Note 20 to the financial statements reflects investments of Kshs.148,400,000 which includes the equity investments of Kshs.8,400,000 and staff car loan and mortgage of Kshs.140,000,000. However, financial statements for Authority's Staff Car Loan and Mortgage Schemes were not prepared and submitted for audit contrary to Section 84 (1) and (3) of Public Finance Management Act, 2012 which states that states that the administrator of a national public fund established by the Constitution or an Act of Parliament shall prepare financial statements for the fund for each financial year in a form prescribed by the Accounting Standards Board and that not later than three months after the end of each financial year, the administrator of a national public fund shall submit the financial statements prepared under this section to the Auditor -General.

In the circumstances, Management was in breach of law.

4. Failure to Renew Service Contract Agreement for Printers

During the year under review, the Authority incurred expenditure on printer maintenance services of Kshs.7,629,543 against a service contract agreement that expired on 4 March, 2023 . This was contrary to Section 135 (2) and (4) of the Public Procurement and asset disposal Act ,2015 which states that an accounting officer of a procuring entity shall enter into a written contract with the person submitting the successful tender based on the tender documents and any clarifications that emanate from the procurement proceedings and that no contract is formed between the person submitting the successful tender and

the accounting officer of a procuring entity until the written contract is signed by the parties. The renewed contract was not provided but the supplier continued with the provision of services after lapse of contract agreement.

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

5. Unremitted Pay As You Earn (PAYE) Tax

The statements of financial performance and as disclosed in Note 11a to the financial statements reflects uses of goods and services of Kshs.1,554,143,961 which includes claims, damages and compensation of Kshs.79,575,938. The claims, damages and compensation includes payment of arrears to Kenya Revenue Authority of Kshs,69,413,744. However, review of demand notice from Kenya Revenue Authority revealed PAYE deducted and not remitted on time and penalty for late remittances of Kshs.21,261,321 charged. This is contrary to Section 37(1) and (2) of Income Tax Act, 2012 which states that an employer paying emoluments to an employee shall deduct therefrom, and account for tax thereon, to such extent and in such manner as may be prescribed and that if an employer paying emoluments to an employee fails to deduct tax thereon, to account for tax deducted thereon or to supply the Commissioner with a certificate provided by rules prescribing the certificate, the Commissioner may impose a penalty equal to twenty-five per cent of the amount of tax involved or ten thousand shillings whichever is greater.

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

6. Staff Earning Less Than One Third of Basic Salary

Review of the payroll for the twelve months period under review revealed that 114 staff earned net salaries which was less than a third of their basic pay contrary to Section 19(3) of Employment Act, 2007 which states that without prejudice to any right of recovery of any debt due, and notwithstanding the provisions of any other written law, the total amount of all deductions which under the provisions of subsection (1), may be made by an employer from the wages of his employee at any one time shall not exceed two thirds of such wages.

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

7. Employees in Acting Capacity Beyond the Stipulated Period

Review of fiduciary management section of the key entity information and management revealed that four (4) employees had been in acting capacity for more than six months. This was contrary to Section 34 (3) of Public Service Commission Act, 2017 which states that an officer may be appointed in an acting capacity for a period of at least thirty days but not exceeding a period of six months. The staff have been on acting appointment for several years and were still on acting appointment as at the time of audit in September, 2024 .

In the circumstance, Board was in breach of the law.

8. Delays in Surrender of Imprests

The statement financial position and as disclosed in Note 19 to the financial statements reflects receivables from non-exchange transactions of Kshs.193,072,813 which includes staff receivables of Kshs.74,395,911. Examination of the imprest register and imprest ageing analysis provided revealed imprests balance of Kshs.54,549,479 out of the total staff receivables of Kshs.74,395,911 had been outstanding for more than two (2) years contrary to Regulation 93(5) of the Public Finance Management (National Government) Regulations, 2015 which states that a holder of a temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station. No explanation was given for the failure to recover the long outstanding advances and Imprests from the concerned employees.

In the circumstances, Management was in breach of 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 Approved Selection Criteria for the Female Engineering Program

The statements of financial performance and as disclosed in Note 16 to the financial statements reflects grants and subsidies of Ksh.11,611,530 which includes female engineering students' fees, transport and study supplies payments. However, approved criteria relied upon for selection of students for the female engineering program was not provided contrary to Regulation 43(1) (d) of Public Finance Management (National Government) Regulation, 2015 which states that an accounting officer shall manage, control and ensure that policies are carried out efficiently and wastage of public funds is eliminated.

In the circumstance, the validity of the selected students provided could not be confirmed since it was not approved, signed and attested.

2. Grounded Motor Vehicles

The statement of financial position and as disclosed in Note 21 to the financial statements reflects property, plant and equipment balance of Kshs.9,186,592,400 which includes motor vehicles of Kshs.98, 585, 575. However, motor vehicle inventory list provided for audit review revealed that eight (8) out of sixty (60) motor vehicles with undetermined values were grounded contrary to Section 164 (1) and (2) of Public Procurement and Asset Disposal Act, 2015 which states that, the employee in charge of unserviceable, obsolescent, obsolete or surplus assets shall bring the matter to the attention of the disposal committee through the head of procurement function and an employee shall comply with subsection (1) within a reasonable time after the assets become unserviceable, obsolete or surplus.

In the circumstances, the effectiveness in the management of fixed assets could not be confirmed.

3. Lack of Data Recovery Plan and Back Up

During the year under review, the Authority did not have in place disaster recovery plan, IT continuity plan and copies were not kept off-site to enable them develop appropriate risk management strategies in order to improve on effective and efficient management of public resources. This is contrary to Section 68(2) (c) of Public Finance Management Act, 2012 which states that an accounting officer shall ensure that all financial and accounting records the entity keeps in any form, including in electronic form are adequately protected and backed up.

In the circumstances, the effectiveness of the Authority's information communication technology internal controls and risk management could not be confirmed and the Authority risks loss of data due to lack of data recovery plan.

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

Responsibilities of the Management and Board of Directors

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 Authority's ability to continue as a going concern, disclosing, as applicable, matters

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 December, 2024

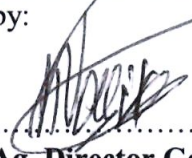
National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024


14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024


Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Training Levy	6	1,287,778,796	994,409,986
Transfers from other governments—gifts and services-in-kind	7 (a)	507,500,000	217,965,000
		1,795,278,796	1,212,374,986
Revenue from exchange transactions			
Rendering of services	8(a)	610,072,096	728,388,907
Finance income-external investments	9	2,578,688	6,834,466
Other income	10	37,406,959	81,814,459
Total revenue from exchange Transactions		650,057,744	817,037,833
Total revenue		2,445,336,540	2,029,412,819
Expenses			
Use of goods and services	11(a)	1,554,143,961	1,813,648,114
Employee costs	12	690,279,472	657,485,908
Remuneration of directors	13	31,642,405	38,290,797
Depreciation and amortization expense	14	159,250,928	186,997,982
Repairs and maintenance	15	24,238,931	18,650,075
Grants and Subsidies	16	11,611,530	9,694,983
Total Expenses		2,471,167,227	2,724,767,859
Surplus/Deficit for the period		(25,830,687)	(695,355,041)

The notes set out on pages 6 to 37 form an integral part of these Financial Statements

The Financial Statements set out on pages 1 to 43 were signed on behalf of the Board of Directors by:


Ag. Director General
Name: **Theresa K. Wasike (Ms)**


Director Corporate Services
Name: **Gerald Kirimi**
ICPAK Member Number: 8725


Chairman of the Board
Name: **Hon. Aden Noor Ali**

Date

11/12/24

Date

11/12/2024

Date

11/12/24

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024


15. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17 (a)	673,119,565	457,492,250
Receivables from exchange transactions	18	243,547,961	230,821,336
Receivables from non-exchange transactions	19	193,072,813	139,094,810
Investments	20	8,400,000	8,400,000
Total Current Assets		1,118,140,338	835,808,396
Non-Current Assets			
Property, Plant and Equipment	21&23	9,186,592,400	9,282,576,706
Intangible assets	22	33,424,949	14,080,613
Total Non-Current Assets		9,220,017,349	9,296,657,320
Total Assets		10,338,157,687	10,132,465,716
Liabilities			
Current Liabilities			
Trade and other payables	24	880,318,468	646,983,061
Provision for receivables current year	25(b)	31,582,206	31,582,206
Prepaid Fees	24	-	1,812,750
Total Liabilities		911,900,675	680,378,018
Net Assets			
Capital Reserves		90,000,000	90,000,000
Revaluation Reserve		9,899,001,000	9,899,001,000
Accumulated Surplus		(562,743,988)	(536,913,301)
Total Net Assets		9,426,257,012	9,452,087,699
Total Net Assets and Liabilities		10,338,157,687	10,132,465,716

The Financial Statements set out on pages 1 to 43 were signed on behalf of the Board of Directors by:


Name: Theresa K. Wasike
Ag. Director General


Name: Gerald Kirimi
Director Corporate Services
ICPAK Member Number: 8725


Name: Hon. Aden Noor Ali
Chairman of the Board

Date 11/12/24

Date 11/12/2024

Date 11/12/24

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	Capital replacement development reserve/Capital Reserve	Revaluation Reserve	Accumulated surplus	Total
	Kshs	Kshs	Kshs	Kshs
As at 1 July 2020	90,000,000	9,899,001,000	353,883,000	10,342,884,000
Adjustment (2020- 2021)			(3,717,000)	(3,717,000)
Revaluation Adjust				-
Surplus (Loss) for the period	-	-	(258,699,000)	(258,699,000)
As at 30 June 2021	90,000,000	9,899,001,000	91,467,000	10,080,468,000
As at 1st July 2021	90,000,000	9,899,001,000	91,467,000	10,080,468,000
Adjustment (2021- 2022)	0	0	3,100,000	3,100,000
Revaluation Adjust	0	0	0	0
Surplus (Loss) for the period	0		63,874,739	63,874,739
As at 30 June 2022	90,000,000	9,899,001,000	158,441,739	10,147,442,739
As at 1st July 2022	90,000,000.00	9,899,001,000.00	158,441,739.32	10,147,442,739.32
Adjustment (2022- 2023)	-	-	-	-
Revaluation Adjust	-	-	-	-
Surplus (Loss) for the period	-	-	(695,355,040.75)	(695,355,040.75)
As at 30 June 2023	90,000,000	9,899,001,000	(536,913,301.43)	9,452,087,699
As at 1st July 2023	90,000,000.00	9,899,001,000.00	-536,913,301.43	9,452,087,698.57
Adjustment (2023- 2024)	-	-	-	-
Revaluation Adjust	-	-	-	-
Surplus (Loss) for the period			(25,830,686.73)	(25,830,686.73)
As at 30 June 2024	90,000,000.00	9,899,001,000.00	(562,743,988.16)	9,426,257,011.84

**National Industrial Training Authority – Annual Reports and Financial Statements
For the year ended June 30, 2024**



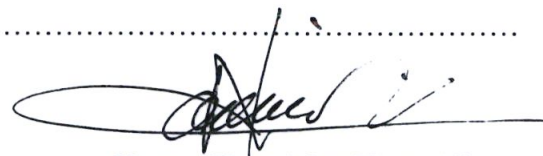
17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Training Levy	6(b)	1,238,148,618.84	923,616,118
Government grants and subsidies	7(b)	507,500,000.00	217,965,000
Rendering of services	8(b)	597,345,471.51	722,732,394
Finance income	9	2,578,688.10	6,834,466
Other income ,rentals and agency fees	10	37,406,959.10	81,814,459
Total Receipts		2,382,979,738	1,952,962,437
Payments			
Compensation of employees	12	690,279,471.93	657,485,908
Goods and services	11(b)	1,326,969,428.09	1,504,617,195
Remuneration of directors	13	31,642,405.49	38,290,797
Repairs and maintenance	15	24,238,931.02	18,650,075
Grants and Subsidies	16	11,611,530.00	9,694,983
Total Payments		2,084,741,767	2,228,738,958
Net cash flows from operating activities		298,237,971	(275,776,521)
Cash flows from investing activities			
Purchase of property, plant, equipment	23	(49,185,708)	(40,601,366)
Purchase of intangible assets	22	(33,424,949)	(14,080,613)
		(82,610,657)	(54,681,979)
Cash flows from financing activities		-	-
Adjustments		-	-
Cash flows from financing activities		-	-
Net increase/(decrease)in cashandcash equivalents		215,627,314	(330,458,501)
Net increase/(decrease)incashandcash equivalents		215,627,314	(330,458,501)
Cash and cash equivalent as at 1 JULY 2024	17(a)	457,492,250	787,950,751
Cash and cash equivalents at 30th JUNE 2024		673,119,565	457,492,250

The Financial Statements set out on pages 1 to 43 were signed on behalf of the Board of Directors by:

.....

.....

		
Name: Theresa Wasike Ag. Director General	Name: Gerald Kirimi Director Corporate Services ICPAK M/NO: 8725	Name: Hon Aden Noor Ali Chairman of the Board
Date 11/12/24	Date 11/12/2024	Date 11/12/24

18. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilization
	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024	2023-2024
	a	b	C=(a+b)	d	e=(c-d)	f=d/c*100
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Revenue						
Industrial Training Levy	1,380,019,851	-	1,380,019,851	1,238,148,619	141,871,232	90%
Government grants and subsidies	15,000,000	500,000,000.00	515,000,000	507,500,000	7,500,000	99%
Rendering of services	1,105,000,000		1,105,000,000	597,345,472	507,654,528	54%
Interest Income	6,000,000		6,000,000	2,578,688	3,421,312	43%
Other income,rentals and agency fees	135,341,000		135,341,000	37,406,959	97,934,041	28%
Total Income	2,641,360,851	500,000,000.00	3,141,360,851	2,382,979,738	758,381,113	
Liquidated Funds	0	-	0	0	-	
Grand Total	2,641,360,851	500,000,000	3,141,360,851	2,382,979,738		
Expenses						
Use of goods and services	1,763,489,679.00		1,763,489,679	1,326,969,428	436,520,251	75%
Employee costs	667,893,700		667,893,700	690,279,472	(22,385,772)	103%
Remuneration of directors	30,100,000.00		30,100,000	31,642,405	(1,542,405)	105%
Repairs and maintenance	32,301,000.00		32,301,000	24,238,931	8,062,069	75%
Grants and Subsidies	12,000,000.00		12,000,000	11,611,530	388,470	97%
Total Expenses	2,505,784,379	-	2,505,784,379	2,084,741,767	421,042,613	
Surplus for the period	135,576,472	500,000,000	635,576,472	298,237,971		
Capital Expenditure	652,503,269		652,503,269	82,610,657		

1. REVENUE BUDGET

The Authority's annual revenue performance has increased compared to previous years but not meeting the expected revenue targets. The underperformance in Industrial Training Levy by 10% is as a result of employers defaulting on levy contributions, economic conditions prevailing and effects of Post Covid, Government grants by 1% because the Authority did not receive the 2nd half disbursement, rendering of services by 46% as a result of low activities at NITA Athi Conference, low intake of students and the other revenue streams not meeting the target and budget cuts from National government thus creating a deficit.

2. EXPENSES

The negative variance is as a result of general increase in cost of goods and services that affected the cost of training materials and depreciation and amortization charge that surpassed the provision. Increase in core mandate activities including home care activities and tax arrears from previous years paid in 2023-2024.

Use of goods under performed by 25%, employee costs over performed by 9% because the Authority did not fill and promote staff as expected, remuneration of directors increased by 4% because of external activities that were not planned in the budget (Exogenous in nature), repairs and maintenance underperformed by 25% and grants and subsidies by 3% due to timing differences in uptake of female sponsorship programme.

19. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

National Industrial Training Authority is established by and derives its authority and accountability from Industrial Training Act Chapter 237. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity’s principal activity is to promote the highest standards in the quality and efficiency of Industrial Training in Kenya and ensure adequate supply of properly trained manpower at all levels in industry.

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 NITA accounting policies. The areas involving a higher degree of judgment 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 NITA.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations 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 standards and amendments to published standards effective for the year ended 30 June 2024*

Standard	Effective date and impact:
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- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023*

Standard	Effective date and impact:
IPSAS 43: Leases	<p>Applicable: 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Standard	Effective date and impact:
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	Applicable: 1st January 2025: The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 47: Revenue	Applicable: 1st January 2026: The objective of this 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 flows arising from revenue transactions. This standard; <ul style="list-style-type: none"> • Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and • Sets out the accounting requirements to account for the revenue transaction.
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting.
IPSAS 45: Property, Plant And Equipment	Applicable 1st January 2025 The objective of this Standard is to prescribe the accounting treatment for property, plant, and equipment so that users of financial statements can discern information about an entity's investment in its property, plant, and equipment and the changes in such investment. The principal issues in accounting for property, plant, and equipment are the recognition of the assets, the determination of their carrying amounts, and the depreciation charges and impairment losses to be recognized in relation to them.

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2024.

Notes to the financial statements (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) 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. *NITA 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.

a) Financial Assets

Classification of financial assets

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

on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

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.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

b) Financial liabilities

Classification

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

b) 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 labor 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.

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 NITA.

c) Provisions

Provisions are recognized when NITA 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.

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Where the Authority 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

NITA 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

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

d) Nature and purpose of reserves

NITA does not create and maintains reserves in terms of specific requirements. National Industrial Training maintains a revaluation reserve.

e) Changes in accounting policies and estimates

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

f) Employee benefits

Retirement benefit plans

NITA provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which the Authority pays fixed contributions into a separate 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.

g) 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.

h) Related parties

NITA 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 CEO and senior managers.

i) Service concession arrangements

NITA 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 Authority 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.

j) Cash and cash equivalents

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

k) Comparative figures

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

l) Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Authority 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 Authority. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

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

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. *(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

Notes to the financial statements (Continued)

6 LEVIES, FINES AND PENALTIES

6 (a)

Description	2023-2024	2022-2023
	Kshs	Kshs
Industrial Training Levy	1,287,778,796	994,409,986
Total	1,287,778,796	994,409,986

(Training levy collected from employers for the purpose of skill upgrading of employees as per the Industrial Training Act Chapter 237)

6 (b)

Description	2023-2024	2022-2023
	Kshs	Kshs
Industrial Training Levy	1,287,778,796.35	994,409,986.00
Accrual 2024	(118,676,902)	(70,793,868.00)
Accrual 2023	70,793,868	-
Kra levy Commission June 2023	(1,747,144)	
Total as used in cashflow	1,238,148,618.84	923,616,118

7 (a) TRANSFERS FROM OTHER GOVERNMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Operational Grant	500,000,000.00	217,965,000
Development Grant	7,500,000	
Total	507,500,000	217,965,000

7 b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name Of The Entity Sending The Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total transfers 2023-24	Prior year
			KShs		KShs
				KShs	
Ministry of Labour and Social Services	507,500,000	-	-	507,500,000.00	217,965,000
Total	507,500,000	-	-	507,500,000	217,965,000

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 (a) RENDERING OF SERVICES

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition Fees and Accommodation	182,207,258.31	169,818,782
Registration of Trainers	10,242,650.00	12,074,060
Trade Test Fees	405,406,931.00	528,158,174
Conference	12,215,257.00	18,337,891
Total revenue from rendering of services	610,072,096	728,388,907

(Trade test Fees for assessment and certification of skills, Tuition and Accommodation for student trainers at the Authority centres, Registration of Trainers fees for the regulation of Training providers, Conference Fee)

8 (b) RENDERING OF SERVICES ACCRUALS

Description	2023-2024	2022-2023
	Kshs	Kshs
Total revenue from rendering of services	610,072,096	728,388,907
Accrued 2022	230,821,336	225,164,823
Accrued 2023	(243,547,961)	(230,821,336)
Total revenue from rendering of services	597,345,472	722,732,394

9 FINANCE INCOME - EXTERNAL INVESTMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Income from on call deposits	-	6,834,466
Interest income	2,578,688	-
Total other income	2,578,688	6,834,466

(Interest from investment on call deposit with KCB)

10 OTHER INCOME

Description	2023-2024	2022-2023
	Kshs	Kshs
Miscellaneous Receipts	37,406,959	81,814,459
Total other income	37,406,959	81,814,459

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

11 USE OF GOODS AND SERVICES

11(a)

Description	2023-2024	2022-2023
	Kshs	Kshs
Advertising and Publicity	22,512,513	19,908,737
Audit fees	1,500,000	-
Bedding & Linen	449,575	5,325,053
Chemicals, Detergents & Industrial gases	1,703,812	2,849,834
Claims, Damages & Compensation	79,575,938	73,710,482
Conference Expenses	24,727,406	13,891,620
Curriculum Development	15,198,997	10,919,670
Domestic Travel	40,070,284	41,364,882
Electricity	21,149,250	24,154,101
Bank Charges	12,825,645	8,105,091
Food & Ratio	86,296,963	66,620,179
Foreign Travel	12,809,269	10,403,126
Fuel, Oil and Lubricants	21,118,632	16,381,264
Hospitality	18,821,140	10,650,886
Industrial Attachment	22,183,552	20,726,467
Insurance	8,508,315	6,854,146
Internal Audit Expenses	7,279,827	4,411,039
Legal Expenses	26,720,688	7,692,236
Library		827,654
Management Consultancy	2,821,401	2,315,700
Marketing Expenses	8,243,604	7,962,312
Office and General Supplies	35,385,313	31,315,777
Part time Lectures	30,118,814	33,107,247
Planning Expenses	17,786,749	4,454,770
Professional Services		-
Quality Assurance Expenses	12,372,287	6,658,504
Registration of Training Providers Expenses	10,196,965	4,635,460
Reimbursements for Management Expenses	209,044,361	567,290,015
Rent & Rates	1,093,701	791,594
Sector Committees	7,947,867	21,629,853
Security and Cleaning	32,698,706	25,711,464
Seminars & Workshops	7,254,957	5,203,010
Specialized Materials	44,231,994	65,419,036
Student Examination		219,660
Subscriptions	2,187,083	1,343,426
Supplies Chain Management Expenses	4,976,813	6,309,315
Telecommunication	3,130,824	2,146,808
Trade Test Expenses	579,008,419	595,915,584
Training Levy Expenses	60,460,931	34,122,417

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Uniforms & Protective Clothing		325,142
Water	9,560,545	14,723,648
Staff Development	22,869,832	20,739,255
Welfare	29,300,991	16,511,650
Total Use of Goods& Services	1,554,143,961	1,813,648,114

11(b)

Description	2023-2024	2022-2023
	Kshs	Kshs
Total Use of Goods& Services	1,554,143,961	1,813,648,114
Staff Imprest 2023	(68,300,942.00)	(61,355,885)
Staff Imprest 2024	74,395,911	68,300,942
Prepayments 2023	0	(1,812,750.25)
Accruals 2023	646,983,060.99	332,820,041.61
Accruals 2024	(880,318,468.24)	(646,983,060.99)
Adjustment-Provisions	65,906	(206.00)
Total Use of Goods& Services as per cashflow	1,326,969,428	1,504,617,195

12 EMPLOYEE COSTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages Basic	378,857,715.04	343,166,311
Commuter Allowance	49,690,000.00	51,130,000
House Allowance	129,880,000.00	133,420,000
Staff Pension	41,788,792.29	43,880,001
Medical Expenses	62,366,877.20	58,305,914
Other Allowance	27,696,087.40	27,583,682
Employee costs	690,279,472	657,485,908

13 BOARD EXPENSES

Description	2023-2024	2022-2023
	Kshs	Kshs
Chairman's Honoraria	1,017,405	730,494
Board Other Expenses	22,594,505	16,870,605
Board Capacity Building	2,586,434	11,099,701
Board Sub Committee	5,444,061	9,589,997
Total director emoluments	31,642,405	38,290,797

14 DEPRECIATION AND AMORTIZATION EXPENSE

Description	2023-2024	2022-2023
	Kshs	Kshs
Property ,Plant and Equipment	145,170,314	157,811,032
Intangible Assets	14,080,613	29,186,950

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

Total Depreciation and amortization	159,250,928	186,997,982
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15 REPAIRS AND MAINTENANCE

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance of Equipment	1,573,307.00	910,883
Maintenance of Buildings	4,395,122.00	5,793,823
Maintenance of Furniture	1,348,718.70	206,746
Maintenance of Grounds	783,989.00	494,023
Maintenance of Motor Vehicle	15,471,149.32	10,891,188
Maintenance of Software	666,645.00	353,413
Total repairs and maintenance	24,238,931.02	18,650,075

16 GRANTS AND SUBSIDIES

Description	2023-2024	2022-2023
	Kshs	Kshs
Female Engineering	11,611,530	9,694,983
Total grants and subsidies	11,611,530	9,694,983

17 (a) CASH AND CASH EQUIVALENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Current account	532,366,221	316,857,617
Cash in Hand	753,344	634,633
Staff Car Loan/ Mortgage	140,000,000	140,000,000
Total cash and cash equivalents	673,119,565	457,492,250

17 (b) DETAILED ANALYSIS OF THE CASH AND CASH EQUIVALENT

Description		2023-2024	2022-2023
Financial institution	Account number	Kshs	Kshs
a) Current account			
KCB Nairobi (Revenue)	1102588075	512,536,612	284,247,208
KCB Nairobi (Payments)	1158641931	4,026,441	16,271,222
KCB Kisumu	1144138434	1,351,049	44,038
KCB Mombasa	1144254639	12,011,493	2,550,774
KCB Kitengela	1170854729	1,940,681	1,845,274
National Bank Harambee Avenue	1001000902800	499,945	11,899,100
Sub- total		532,366,221	316,857,617
b) Cash in hand			
KCB Nairobi		548,512	461,062
KCB Kisumu		13,333	13,333
KCB Mombasa		41,500	10,239
KCB Kitengela		149,999	149,999

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

Sub- total		753,344	634,633
Total Cash in hand & Bank		533,119,565	317,492,250
c) On call Deposits			
KCB			-
Sub- total			-
d) Staff Car Loan and Mortgage			
Car Loan		20,000,000	20,000,000
Mortgage		120,000,000	120,000,000
Sub- total		140,000,000	140,000,000
Grand total		673,119,565	457,492,250

18 RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024	2022-2023
	Kshs	Kshs
Current receivables		
Receivables - Conference	65,119,450	56,558,400
Receivables- Students	135,062,440	132,563,055
Receivables- DTB	12,823,321	12,823,321
Receivables- Bounced Cheques	18,758,885	18,758,885
Receivables- Others	11,783,865	10,117,675
Total current receivables	243,547,961	230,821,336

19 RECEIVABLES FROM NON-EXCHANGE

Description	2023-2024	2022-2023
	Kshs	Kshs
Current receivables		
Receivables – Staff	74,395,911	68,300,942
Training Levy	118,676,902	70,793,868
Total current receivables	193,072,813	139,094,810

20 INVESTMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Equity Investments		
Equity in Shares	8,400,000.00	8,400,000
c) On call Deposits		
KCB		-
Sub- total		-
d) Staff Car Loan and Mortgage		
Car Loan	20,000,000.00	20,000,000
Mortgage	120,000,000.00	120,000,000
Sub- total	140,000,000.00	140,000,000

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Grand Total	148,400,000.00	148,400,000
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**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant & Machinery	Motor Vehicles	Computer & Accessories	Furniture	Equipment	Books	Totals
Cost									
At 1st July 2020	6,608,300,000.00	2,671,144,000.00	409,333,854.00	82,315,000.00	144,858,000.00	68,357,000.00	69,422,000.00	1,233,484.00	10,054,963,338.00
Additions	-	38,649,000.00	-	-	12,500,000.00	622,000.00	11,750,000.00	-	63,521,000.00
At 30th June 2021	6,608,300,000.00	2,709,793,000.00	409,333,854.00	82,315,000.00	157,358,000.00	68,979,000.00	81,172,000.00	1,233,484.00	10,118,484,338.00
At 1st July 2021	6,608,300,000.00	2,709,793,000.00	409,333,854.00	82,315,000.00	157,358,000.00	68,979,000.00	81,172,000.00	1,233,484.00	10,118,484,338.00
Additions	-	20,825,524.37	-	16,270,575.40	4,966,775.05	9,017,244.77	12,637,063.60	-	63,717,183.19
Cost As At 30th June 2022	6,608,300,000.00	2,730,618,524.37	409,333,854.00	98,585,575.40	162,324,775.05	77,996,244.77	93,809,063.60	1,233,484.00	10,182,201,521.19
Additions	-	33,569,543.20	-	-	1,546,460.00	5,485,363.00	-	-	40,601,366.20
Cost As At 30th June 2023	6,608,300,000.00	2,764,188,067.57	409,333,854.00	98,585,575.40	163,871,235.05	83,481,607.77	93,809,063.60	1,233,484.00	10,222,802,887.39
Additions 23.24	-	29,065,382.80	-	-	13,175,069.00	6,945,256.00	-	-	49,185,707.80

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Cost As At 30th June 2024	6,608,300,000.00	2,793,253,450.37	409,333,854.00	98,585,575.40	177,046,304.05	90,426,863.77	93,809,063.60	1,233,484.00	10,271,988,595.19
Depreciation & Impairment									
Accumulated Dep 1ST JULY 2020	-	133,507,000.00	102,336,000.00	41,159,000.00	71,619,000.00	15,934,000.00	11,277,000.00	863,000.00	376,695,000.00
Depreciation	-	67,745,000.00	51,167,000.00	20,579,000.00	47,207,700.00	8,622,000.00	10,147,000.00	123,000.00	205,590,700.00
Accumulated dep 30th June 2021	-	201,252,000.00	153,503,000.00	61,738,000.00	118,826,700.00	24,556,000.00	21,424,000.00	986,000.00	582,285,700.00
Depreciation	-	67,694,525.35	51,166,875.00	20,578,750.00	41,797,775.05	8,622,375.00	10,146,500.00	123,348.40	200,130,148.80
Accumulated dep 30th June 2022	-	268,946,525.35	204,669,875.00	82,316,750.00	160,624,475.05	33,178,375.00	31,570,500.00	1,109,348.40	782,415,848.80
Depreciation		68,265,463.11	51,166,731.75	16,268,825.40	510,000.00	9,749,530.60	11,726,132.95	123,348.40	157,810,032.21
Accumulated dep 30th June 2023		337,211,988.46	255,836,606.75	98,585,575.40	161,134,475.05	42,927,905.60	43,296,632.95	1,232,696.80	940,225,881.01
Depreciation 2023.2024		69,104,701.69	51,166,731.75	-	2,736,760.00	10,435,200.97	11,726,132.95	787.00	145,170,314.36
Accumulated dep 30th June 2024	-	406,316,690.15	307,003,338.50	98,585,575.40	163,871,235.05	53,363,106.57	55,022,765.90	1,233,483.80	1,085,396,195.37
Net Book Values As at 30th June 2024	6,608,300,000.00	2,386,936,760.22	102,330,515.50	-	13,175,069.00	37,063,757.20	38,786,297.70	0.20	9,186,592,399.82

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

Net Book Values As at 30th June 2023	6,608,300,000.00	2,426,976,079.11	153,496,247.25	-	2,736,460.00	40,553,702.17	50,513,430.65	787.20	9,282,576,706.38
Depreciation Rate		2.5%	12.5%	25.0%	30.0%	12.5%	12.5%	10.0%	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22 INTANGIBLE ASSETS-SOFTWARE

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost		
At beginning of the year	178,922,763.21	164,842,150
Additions for the year	33,424,949.03	14,080,613
At end of the year	212,347,712.24	178,922,763
At end of the year	212,347,712.24	178,922,763
Amortization		
At beginning of the year	164,842,150.01	135,655,200
Amortization for the year	14,080,613.20	29,186,950
At end of the year	178,922,763.21	164,842,150
NBV	33,424,949.03	14,080,613

23 PROPERTY PLANT AND EQUIPMENT

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost At beginning of the year	10,222,802,887	10,182,201,521
Additions	49,185,708	40,601,366
Total	10,271,988,595	10,222,802,887
Accumulated Depreciation	(1,085,396,195)	(940,226,181)
At end of the year	9,186,592,400	9,282,576,706
NBV	9,186,592,400	9,282,576,706

24 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Payables	880,318,468.24	646,983,060.99
Payment received in advance	-	1,812,750.25
Total trade and other payables	880,318,468.24	648,795,811.24

25 CURRENT PROVISIONS

a) Deposits in collapsed Banks

Description	2023-2024	2022-2023
	Kshs	Kshs
Prudential Bank Ltd	50,595,000	50,595,000
Thabiti Finance Company	26,029,000	26,029,000
Pioneer Building Society	15,000,000	15,000,000
Continental Credit Finance Ltd	8,830,000	8,830,000
Nairobi Finance Company	8,530,000	8,530,000

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

Allied Credit Limited	5,388,000	5,388,000
Middle Africa Finance Co. Ltd	5,345,000	5,345,000
Meridian BIAO Bank (K) Ltd	3,988,000	3,988,000
Inter Africa Credit Ltd	2,461,000	2,461,000
Country Building Society	2,000,000	2,000,000
United Trustee Finance Co. Ltd	1,300,000	1,300,000
Total Deposits held in collapsed banks	129,466,000	129,466,000
Provision for Deposits in collapsed Banks	129,466,000	129,466,000
Total Deposits held in collapsed banks	129,466,000	129,466,000

b)

Description	2023-2024	2022-2023
	Kshs	Kshs
Provisions for bounced Cheques	18,758,885.40	18,758,885.40
Provisions for DTB Cheques	12,823,321.00	12,823,321.00
Total Provisions	31,582,206.40	31,582,206.40

26 CASH GENERATED FROM OPERATIONS

Description	2023-2024	2022-2023
	Kshs	Kshs
Surplus for the year before tax	(25,830,687)	(695,355,041)
Adjusted for:		
Depreciation	159,250,928	186,997,982
Working Capital adjustments		
Increase in receivables exchange	(12,726,625)	(5,656,513)
Increase in receivables non exchange	(53,978,003)	(77,738,925)
Increase in payables	233,335,407	314,163,019
Decrease in payments received in advance	(1,812,750)	1,812,750
Adjustment(provisions)	-	206
Net cash flow from operating activities	298,238,271	(275,776,521)

27 FINANCIAL RISK MANAGEMENT AND MITIGATION

NITA's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Authority'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 Authority 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 Authority's financial risk management objectives and policies are detailed below:

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

(i) Credit risk

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

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity'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	Fully Performing	Past due
	Kshs	Kshs	Kshs
At 30 June 2024			
Receivables from non Exchange Transactions	193,072,813	141,084,894.50	51,987,918.35
Conference Fees	65,119,450	12,755,750.00	52,363,699.70
Student Fees	135,062,440	5,023,215.00	130,039,224.70
Other Receivables	43,366,071	1,666,190.00	41,699,881.40
Bank Balances	673,119,565		673,119,565
Total	1,109,740,338	160,530,050	949,210,289
At 30 June 2023			
Receivables from non Exchange Transactions	161,158,561.20	139,094,810.00	22,063,751.20
Conference Fees	56,558,400	14,352,000.00	42,206,400.00
Student Fees	132,563,055	1,597,126.00	130,965,929.00
Other Receivables	41,699,881	-	41,699,881.40
Bank Balances	457,492,250	-	457,492,249.96
Total	849,472,148	155,043,936	694,428,212

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 entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

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

FINANCIAL RISK MANAGEMENT (Continued)

(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

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

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 entity 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	
At 30 June 2024				
Trade Payables		161,650,951	718,667,517	880,318,468.24
Total		161,650,951	718,667,517	880,318,468
At 30 June 2023				
Trade Payables		127,652,597.08	519,330,463.91	646,983,060.99
Total		- 127,652,597.08	519,330,463.91	646,983,060.99
At 30 June 2022				
Trade Payables	162,164,042	21,357,000	149,299,000	332,820,041.61
Total	162,164,042	21,357,000	149,299,000	332,820,042

iii) Capital Risk Management

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Revaluation Reserve	9,899,001,000	9,899,001,000
Retained Earnings	(562,743,988.16)	(536,913,301)
Capital Reserve	90,000,000	90,000,000
Total Funds	9,426,257,012	9,452,087,699
Current liabilities	880,318,468	648,795,811
Total Current Liabilities	880,318,468	648,795,811
Net debt ratio to Equity	9%	7%

28 RELATED PARTY BALANCES

Nature of related party relationships

NITA's and other parties related to the Authority 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

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

The Government of Kenya is the principal shareholder of the Authority, holding 100% of the NITA'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 of Labour;
- iii) Key management;
- iv) Board of directors;

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

NOTES TO THE FINANCIAL STATEMENTS (Continued)

29 RELATED PARTY BALANCE (Continued)

Description	2023-2024	2022-2023
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Sales of goods to xxx		Nil
Sales of services xxx		
Total		Nil
b) Grants from the Government		
Grants from National Govt		507,500,000
Grants from County Government		
Donations in kind		
Total		507,500,000
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for xxx employees		596,196,753.37
Payments for goods and services for xxx		
Total		596,196,753.37
d) Key management compensation		
Directors' emoluments		732,465.00
Compensation to the CEO		5,778,540.00
Compensation to key management		88,589,119.12
Total		95,100,124.12

30 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Description	2023-2024	2022-2023
	Kshs	Kshs
Court Litigations	38,000,000	38,000,000
Audit fee	1,500,000	1,500,000
KRA Tax Arrears	27,637,546.52	53,895,000
AHL	3,692,407	0
Tvet 20% Act	160,959,320.47	6,620,000
Helb 10% Act	80,479,660.24	3,310,000
Motor Vehicle Purchase	12,750,000	12,750,000
Gate Construction (Kisumu)	9,216,700	
Gratuity	13,926,687.38	0
	348,162,321.61	
Totals		116,075,000

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

(The amount of Kshs 38,000,000 relates to litigation matters of former employees which are pending in court and with Public Service Commission)

31 CAPITAL COMMITMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Authorised for		-
Authorised and Contracted for		6,495,000
Total	-	6,495,000

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)

32 EVENTS AFTER THE REPORTING PERIOD

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

33 ULTIMATE AND HOLDING ENTITY

NITA is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Labour and Social Protection, State Department for Labour. Its ultimate parent is the Government of Kenya.

34 Currency

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

20. APPENDICES

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

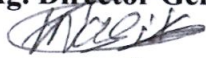
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Long Outstanding Receivables from Exchange Transaction	The statement of financial position reflects receivables from exchange transactions totalling Kshs. 230,821,336 as further disclosed in NITA 18 to the financial statements. However, aging analysis of the receivables has not been disclosed in the financial statements. Further, no provisions have been made for bad and doubtful debts	Aging analysis for Receivables from Exchange Transaction was availed for review. The analysis is available for review. Formal communication has been done to ensure recoveries of long outstanding receivables	Manager Accounts	Not Resolved	Ongoing
Lack of ownership documents	The statement of financial position reflects property, plant and equipment totalling Kshs. 9,282,576,706. Title deeds for the land have not been acquired.	Formal communication to National Lands Commission has been made as regards acquisition of the title deeds.	Manager HR and Admin and secretary Legal Services	Not Resolved-	Ongoing

National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024

Theresa K. Wasike (Ms)

Ag. Director General



Date.....11/12/24.....

APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

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	IDA-5812-KE	WORLD BANK	5 YEARS	KSH. 3,500,000,000	YES	NO

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	Source of funds
1	KYEOP	KSH.3,500,000,000	KSH.2,804,146,678.00	100%	KSH.96,696,057.00	KSH.17,130,057.00	Donor Funds

**National Industrial Training Authority
Annual Reports and Financial Statements
For the year ended June 30, 2024**

APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME:				
Break down of Transfers from the State Department of Labour				
FY 2023/2024				
a	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			500,000,000	
		Total	500,000,000	2023/2024
b	Development Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
			7,500,000.	
		Total	7,500,000.	2023/2024

The above amounts have been communicated to and reconciled with the parent Ministry

Director, Corporate Services
National Industrial Training Authority

Head of Accounting Unit
Ministry of Labour & Social Protection

Sign -----

Sign -----

APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received	Nature: Recurrent/Development/Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
	as per bank statement			Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Labour	28/06/2024	500,000,000.00	500,000,000.00	500,000,000.00	-	-	-	-	500,000,000.00
Ministry of Labour	16/02/2024	7,500,000.00	7,500,000.00	7,500,000.00	-	-	-	-	7,500,000.00
Total			507,500,000.00	507,500,000.00					507,500,000.00