



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT**

DATE: 14 JUN 2023

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OF KENYA  
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BY:

LON: HON. KIMANI  
ICHUNGWAH, MP

CLERK-AT  
THE TABLE:

ESTHER NGENYO

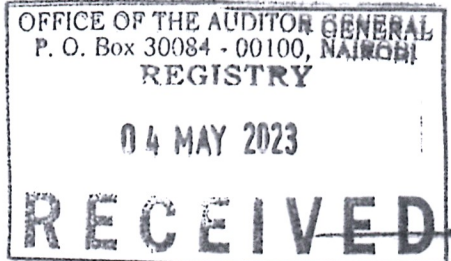
**OF**

**THE AUDITOR-GENERAL**

**ON**

**SIKRI TECHNICAL AND VOCATIONAL  
COLLEGE FOR THE BLIND AND DEAF**

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



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**SIKRI TECHNICAL & VOCATIONAL COLLEGE  
FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2022**

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

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## **I. KEY INFORMATION AND MANAGEMENT**

### **(a) Background information**

The college has a long and proud history which is part of our platform for future success and linked to our present activities. We derive our mandate under TVET ACT, 2013 Section 20(1) as Technical and vocational college to train Persons living with disabilities and 30% reverse integration for inclusivity. The institution provides training to students across the East and central Africa region and has been the only training College with the visually impaired, hearing impaired and deaf/blind students all in one Institution undertaking relevant livelihood skills training to enable them compete favorably in the job market or establish their own livelihood activities.

The Institute was started in 1970 by the CMM brother of Tilburg under the Kisii catholic Diocese as Vocational training Centre for the Blind and Deaf- Sikri, to offer practical agricultural skills training for trainees from humble background who were visually impaired.

In 1975, the school population dropped drastically despite numerous awareness campaign of the Centre being conducted by the school administration. This prompted the administration in consultation with the ministry of Education to admit hearing impaired students. A total of 15 Hearing-impaired Students were admitted to undertake a three year agricultural course at the Centre.

In 1980, a sign language specialist was invited from Holland to train basic sign language. This led to the development of sign language dictionary to be used in the school. It is important to note that at this time the government emphasized on oralism as opposed to use of sign language as a medium of instruction in public special schools and no dictionary existed on Kenya sign language.

In 1987 a wood and weaving workshop was constructed and in 1988 the two workshops were equipped with teaching/learning resources. Consequently Carpentry/joinery and weaving /textile/clothing and textile was introduced. These courses were to strengthen the general agriculture which was the main course as it requires maintenance of farm structures, buildings and clothing.

Right at inception, the institute has provided rehabilitation to visually impaired students in, Braille literacy, Orientation and Mobility, activities of daily living and communication skills. In view of this the institute had an established Braille press for production of Braille materials. In 1999 the rehabilitation department was instrumental for the rehabilitation of 1998 bomb blast survivors.

In 2016, the college admitted the first group of female trainees. In April 2018, the college was upgraded from Vocational Centre to a Technical and Vocational College offering technical, engineering and business courses from Artisan, Certificate Diploma levels in NITA, KNEC and CDACC. The College currently has Eight Academic and Eight Non-Academic departments with a qualified and competent teaching workforce of 65 and 33 non-teaching staff.

The colleges' long-term direction is presented in the strategic plan for the period 2020/21-2024/25 with the key result areas being the main focus e.g. To enhance access and equity, infrastructure will be improved, promotion of research and development by establishing a research fund and showcasing innovations and capacity building of trainers. The plan articulates the means by which Sikri Technical and Vocational College for the Blind and Deaf is to achieve its vision and mission.

The College will be able to achieve vision 2030, government strategy on industrialization ministry of education strategic goals, and millennium development goals.

**(b) Principal Activities**

The Mandate of the college is to provide quality technical and vocational training that is responsive to the Needs of the society. The training is aimed at imparting knowledge, skills and attitudes leading to gainful Engagement and job creation for poverty reduction in line with the national goals and aspirations. The College achieves this through: -

- a) Training in appropriate skills and knowledge that would enable trainees with special needs to be productive and relevant to the industry.
- b) Contribute to the global research and innovation agenda through relevant research approaches in line with the Kenya government priority areas with a bias towards the Special needs individuals.

**Motto**  
Skills for life

**Vision**

A world class Centre for Technical and Entrepreneurial training, Research and innovation for persons with special Needs

**Mission**

Transfer competence-based skills to persons with special Needs Technical and Entrepreneurial areas, carrying out research and focusing on innovation

**(c) Key Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Board of Governors	Led by Dr. Christine Ogola
2.	Principal	Mr. Evans W.O.Omondi
3.	Deputy Principal Administration	Madam Bertha Owaga
4.	Deputy Principal Academics	Mr. Ronald Ongete
5.	Finance Officer	Mr. Herbert Ngaira
6.	PR/HR Officer	Ms. Janet Obora
7.	Procurement Officer	Ms. Patricia Oketch

**(d) Fiduciary Oversight Arrangements**

*STVCBD is in the process of creating this committee:*

- *Development partner oversight activities*

**(e) STVCBD Headquarters**

P.O. BOX 194-40222  
OYUGIS  
OFF KISUMU-KISII ROAD  
KENYA

**(f) STVCBD Contacts**

Telephone: (254) 772 768 777

E-mail: [sikriblindeaf@gmail.com](mailto:sikriblindeaf@gmail.com) or [sikriblindeaf@yahoo.com](mailto:sikriblindeaf@yahoo.com)

Website: [www.sikritechnicalinstitute.ac.ke](http://www.sikritechnicalinstitute.ac.ke)

**(g) STVCBD Bankers**

1. Kenya Commercial Bank  
Oyugis Branch  
P.O.Box 476-40202  
Kisii, Kenya
2. Co-operative Bank  
Oyugis Branch  
P.O.Box 263-40222  
Oyugis, Kenya
3. Equity Bank  
Oyugis Branch  
P.O.Box 75104-40222  
Oyugis, Kenya

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

## II. THE BOARD OF GOVERNORS



**Dr. Christine Ogola**  
**CHAIRPERSON**  
**(July 2021-June 2022)**

**Year of Birth: 1976**

**Reappointment: January 2020**

**Qualification and Experience:**

Dr. Christine, is a PhD. holder from University of the Witwatersrand, Johannesburg, South Africa. A trained, qualified and experienced researcher in Archaeology. She is also a field and laboratory trained in archaeology and related discipline research methods.

Dr. Christine is a Senior Research Scientist at National Museums of Kenya and part time lecturer in Archaeology – Kenyatta University, she is also a Consultant at Narok archaeological project, The Archaeology of Kakapel, environmental and social impact assessment – Lokichar, mobility and links project university of Liverpool, national museums and British academy etc.

She has undertaken conference papers presentations and publications and has received several grants and awards



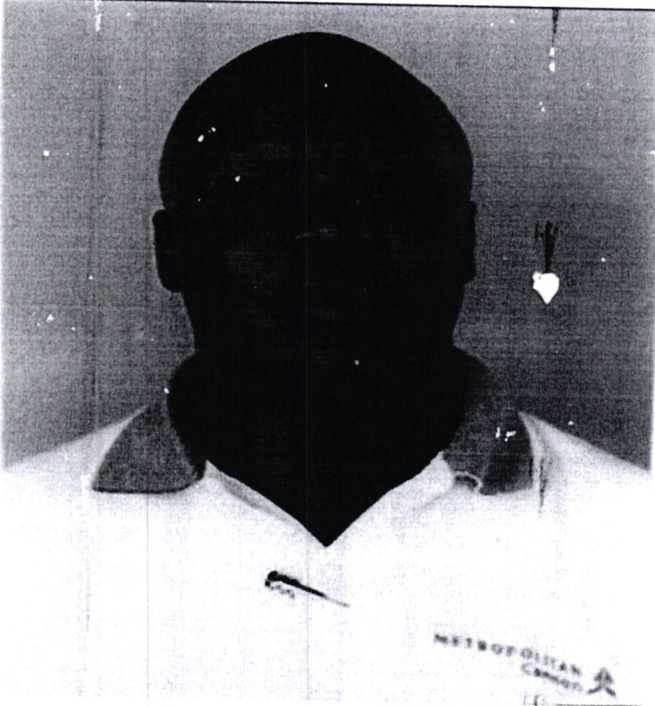
**Mr. Tom Olang'o**  
**REGIONAL TVET DIRECTOR/ MEMBER**  
**(July 2021-June 2022)**

**Year of Birth: 1970**

**Appointment: January 2020**

**Qualification and Experience:**

A Deputy Director of Technical Education currently serving as a Regional Director of Technical and Vocational Education and Training (TVET) in charge of Kisii, Nyamira, Migori and Homa Bay Counties. He is a long serving public servant with twenty-six years of experience. He was initially employed as a Graduate Teacher of Mathematics by the Teachers Service Commission and later joined the Ministry of Education as an Education Officer in 1999 where he has served to date. He was born in 1970 and is a holder of Master of Education in Curriculum Studies from Nairobi University and currently concluding a PhD on the same at Kenyatta University. He has been engaged in several international assignments and is currently the Ministry's Focal Point Person for Skills Initiative for Africa Project by AUDA NEPAD.



**Mr. Collins Ochieng' Agai**  
**MEMBER**  
**(July 2021-December 2021)**

**Year of Birth: 1978**

**Appointment: October 2018**

**Qualification and Experience:**

Mr. Agai holds Bachelor of Commerce (Accounting Option) and he is also trained in Accountancy and Insurance. Currently he works at Insurance and Pension Officer - Chemelil Sugar Company Ltd. His Professional Body Membership is International Federation of Accountants Association of Kenya Insurers and Insurance Institute of Kenya



**Eng. Philimon Jos Origa**  
**MEMBER**  
**(July 2020-June 2021)**

**Year of Birth: 1978**

**Appointment: January 2022**

**Qualification and Experience:**

Eng Origa holds Ahnd IN Construction Engineering



**Mr. Maurice Otunga**  
**MEMBER**  
**(August 2021-June 2022)**

**Year of Birth: 07/09/1960**

**Appointment: August 2020**

**Qualification and Experience:**

Mr. Otunga holds MA in Project Planning & Management UON, BED in CUEA, Diploma in Education, and Diploma in Management (KEMI). Served as Principal at Tonga Secondary, Ringa High School & ST. Josephs Rapogi Secondary School. Also served as KNEC examiner and setter.



**Mrs. Esther Imbega**  
**MEMBER**  
**(July 2021-June 2022)**

**Year of Birth: 1975**

**Appointment: August 2020**

**Qualification and Experience:**

Madam Imbega holds Higher Diploma Food Technology and she is currently working in Homaline Company



**Eng. Andrew Tarus**  
**MEMBER**  
**(July 2021-June 2022)**

**Year of Birth: 1976**

**Appointment: August 2020**

**Qualification and Experience:**

Eng. Tarus holds a Bachelor in Technical Civil Engineering and he is currently Contractor in Eldoret



**Mr. Jorum Otieno**  
**MEMBER**  
**(July 2021-December 2021)**

**Year of Birth: 1986**

**Appointment: October 2018**

**Qualification and Experience:**

Mr. Otieno holds MSC Information Communication Technology, BSC Computer Engineering Technology and Diploma in Information Technology.

He is a manager running very successful consultancy firm in the areas of Information Communication Technology and specialized in Computer Engineering Technology. He has managed several large and medium scales ICT projects in Kenya and elsewhere in the world ranging from software systems which run small institutions to large systems which are used in multiple locations to run healthcare, education and other activities. He has implemented hardware related ICT projects across Kenya and the region.



**Madam Nancy Robi Samwel**  
**MEMBER**  
**(July 2021-June 2022)**

**Year of Birth: 1991**

**Reappointed: January 2022**

**Qualification and Experience:**

Madam Robi holds Bachelor of Science in Nursing. She worked at Kerugoya County Referral hospital as nursing officer intern, worked at Kehancha mother and child and also mother solbritt hospitals as a primary nurse.

Currently she is working at Langas Racecourse health centre as nursing officer volunteer. She has done article published by Kenya journal of midwifery and nursing, on cultural competence in provision health care services. She also presented the same article at 4<sup>th</sup> the annual Baraton international interdisciplinary research conference.

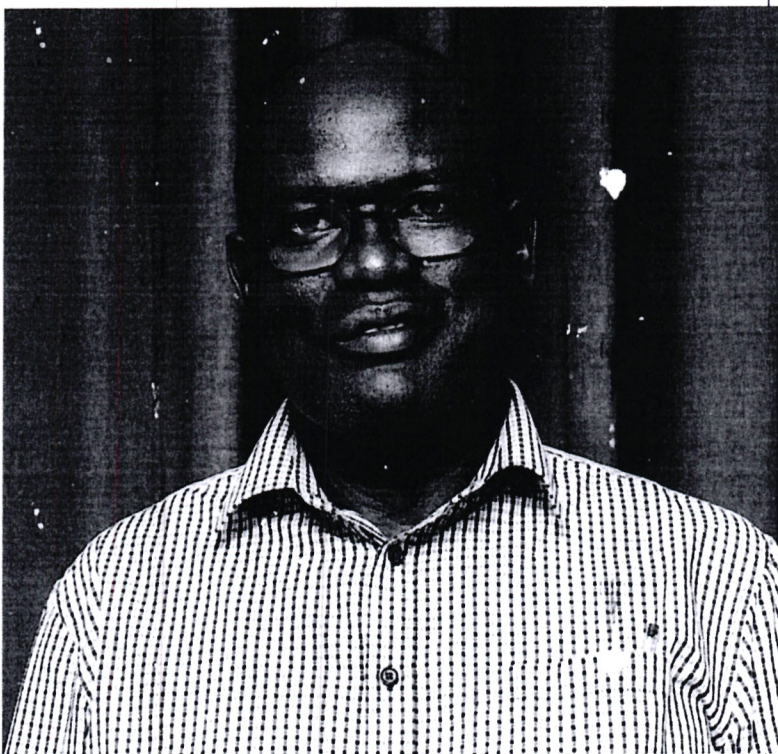


**Ms. Vivian Ratemo**  
**MEMBER**  
**(January 2022-June 2022)**

**Year of Birth: March 1995**

**Appointment: January 2022**

**Qualification and Experience:**  
Ms. Ratemo holds Bachelor in Law



**Mr. Eliud Otieno Ochieng**  
**MEMBER**  
**(January 2022-June 2022)**

**Year of Birth: 1968**

**Appointment: January 2022**

**Qualification and Experience:**  
Mr. Ochieng holds MBA in Business Administration

**Mr. Samuel Kilonji Kaloki**  
**MEMBER**  
**(January 2022-June 2022)**

**Year of Birth:**

**Appointment: January 2022**

**Qualification and Experience:**



**Mr. Evans W.O. Omondi**  
**SECRETARY TO THE BOARD/ PRINCIPAL**  
**(July 2021-June 2022)**

**Year of Birth: 1969**

**Appointment: Sept 2020**

**Qualification and Experience:**




Mr Omondi holds Post Graduate Diploma in Education, Bachelors of Commerce, and Kenya Certificate Education. Holder of Senior Management Course from KSG.




He has over 25 years of teaching & management experience having served in various capacities from senior lecturer, to Registrar, Deputy Principal and now Principal

**BOARD COMMITTEES**

<b>Name of the Committee</b>	<b>Members</b>
Finance Infrastructure and Human Resource Committee	1. Eng. Philimon Origa - Chairperson 2. Eng. Andrew Tarus-Member 3. Ms. Vivian Ratemo-Member 4. Mr. Tom Olang'o-Member 5. Mr. Evans W.O. Omondi-Secretary
Education Training & Research Committee	1. Mdm Esther Imbega- Chairperson 2. Ms. Nancy Robi- Member 3. Mr Maurice Otunga- Member 4. Mr. Tom Olang'o-Member 5. Mr. Eliud Otieno- Member 6. Mr. Evans W.O. Omondi -Secretary
Audit & Risk Management Committee	1. Mr. Maurice Otunga- Chairperson 2. Eng. Andrew Tarus - Member 3. Ms. Vivian Ratemo - Member 4. Mr. Tom Olang'o-Member

**III. MANAGEMENT TEAM**

<p>1.</p>  <p>Mr. Evans W.O. Omondi  <b>Principal</b></p>	<p>Mr. Omondi is in charge of day to day running of the Institute. He is the Chief Executive Officer who reports to all stakeholders. He is also the mandatory signatory to all the Institutes bank accounts and Secretary to Board of Governors</p>
<p>2.</p>  <p>Mrs. Bertha Owaga  <b>Deputy Principal- Administration</b></p>	<p>Madam Bertha deputizes the Principal and she is in charge of disciplinary issues concerning students, core business of STVCBD on behalf of the Principal by ensuring quality and relevant education is offered to students by spearheading courses and programmes. She chairs academic committees and ensures timetables, course outlines, class attendance and evaluation are as per the academic &amp; SPO standard procedures, and such standards maintained. She attends BOG meetings to take minutes (committees &amp; full board) when requested by the Principal</p>
<p>3.</p>  <p>Mr. Ronald Ongete  <b>Deputy Principal Academics</b></p>	<p>Mr Ongete deputizes the Prinipal and is incharge of oversight, planning and excusion of college events that have a curriculum focus.                  Supervise academic staff, curriculum delivery and coordinate collaborative planning to ensure optimum utilization of resources allocated for curriculum delivery.                  Coordinate the regular review of academic programme including curriculum mapping and development, benchmarking of academic programmes, graduation requirements, grading, approach to instruction.                  Guiding the management on technical training policy formulation and implementation                  Coordinates strategic planning goals elated to academic affair</p>

<p>4.</p>  <p>Mrs Linda Bwana  <b>Ag. Registrar</b></p>	<p>Madam Linda ensures that term programmes and time tables are made in time; students who apply for courses in the institute meet the relevant requirements for admission. She is also in charge of marketing of institute courses to ensure increase enrolment</p>
<p>4.</p>  <p>Mr. Jackton Owino  <b>Ag. Dean of Students</b></p>	<p>Mr. Owino is the Dean of Students who is in charge of student affairs i.e., process boarding issues accommodation and disciplinary. He is also in charge of assisting students who apply for HELB loans and other bursary to support payment fees</p>
<p>5.</p>  <p>Mr. Andrew Nyambuga  <b>Ag. Industrial Liaison Officer</b></p>	<p>Mr. Nyambuga is in charge of Attachment and student placement. He is in charge of emergency first aid attention to students and staff at the College. He is also coordinates in turns from various institutions to the college</p>
<p><i>Note: The Principal and the Secretary to the BoG features in both under the 'Board' and 'Management'.</i></p>	

#### **IV. CHAIRPERSON'S STATEMENT**

On behalf of the board of Governors, I feel honored to present to our stakeholders the Annual Report and Financial statements of Sikri Technical for the financial year ended 30<sup>th</sup> June, 2022.

This annual report helps us to reflect on our performance for the year giving us opportunity to celebrate our success and at the same time identify areas of improvement. The FY 2021/2022 financial performance was achieved through concerted effort by Sikri Technical Board, Management and the entire staff.

In the year under review, the board and the parent ministry negotiated and vetted a Performance contract FY2021/2022 setting out our targets for the year. The board as well spearheaded the revision and or development of key tools of governance e.g. strategic plan 2020 – 2024 review, ISO 9001: 2015 certification process and policies aligning them to the emerging governance issues. This ensures that the college's competitive edge is sharpened and it continues to offer training services in a more broadened perspective.

Going forward, the Board will continue to carry out its mandate as set out in the TVET ACT 2013, its strategic plan 2020-2024 and its annual work plans.

Finally, I would like to thank the Board members and the management of Sikri Technical who, through their unwavering commitment, have led to the achievement of the Board's mandate in the past year. I also offer my gratitude to our stakeholders and look forward to collaborating with you towards achievement of the Board's mandate.



.....  
**DR. CHRISTINE OGOLA- BOARD CHAIRPERSON**  
**ON BEHALF OF BOARD OF GOVERNORS**

**V. REPORT OF THE PRINCIPAL**

I am delighted to see our institution come to the end of another financial year. Throughout the year, our focus has remained on enhancing the quality of academic programs, increasing partnership and collaborations with various stakeholders so as to continually improve college's performance and seeking to ensure that STVCBD continues to offer quality and competitive training to alleviate the PWD employability gap in the various industries.

During the year ended 30<sup>th</sup> June, 2022, STVCBD was mainly funded through government grant (35.62 %) and Appropriation in Aid (fee and production unit) (A-I-A) (16.18 %) for its recurrent expenditure.

I am pleased to share our successes for the year with all our stakeholders; in the year ended 30<sup>th</sup> June, 2022, we presented candidates for KNEC examinations in Building and Civil Engineering, Social work and Community Development, Agriculture, ICT, Electrical, Fashion Design at Diploma and Certificate Levels and further introduced CBET CDACC programs for trainees in order to increase hands on graduants for various sectors. The college undertook a reverse regular integration program and day schooling to promote accessibility to education and training for youths of both genders.

We implemented have Enterprise Resource Planning System (ERP) Registry , Procurement, HR and Finance modules thus improving our efficiency in service delivery, the Board conducted Strategic Plan 2020 – 2024 to ensure it stays on course in the five year Strategic period and policies to promote competitive training system, healthy learning and working environment.

It is my believe that the road STVCBD has taken in opening up more training opportunities to PWDs as witnessed by increased student enrolment and courses will yield fruit and contribute immensely in producing hands on workforce for various sectors of the economy.

I wish to thank the Government of Kenya through the Ministry of Education, Board of Governors, Management and Staff for their contributions made in the FY2021/2022

  
.....  
**EVANS OMONDI OYOO,**  
**PRINCIPAL/ SEC B.O.G**

**VI. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES**

STVCBD'S Strategic Pillars includes;

**Pillar 1: Leadership and Integrity, (Governance)**

**Pillar 2: Access and Equity**

**Pillar 3: Partnerships and collaboration**

**Pillar 4: Research, Innovation and Development**

**Pillar 5: Environmental Management**

**Pillar 6: Resources**

<b>STRATEGIC PILLARS</b>	<b>OBJECTIVES</b>	<b>KEY PERFORMANCE INDICATORS</b>	<b>ACTIVITIES</b>	<b>ACHIEVEMENTS</b>
<b>Pillar 1: Leadership and Integrity (Governance)</b>	Enhance corporate governance at the College	Enhance operational efficiency  Enhance decision making in the College  Enhance customer satisfaction	Implement ISO 9001:2015 and ISO /IEC 27001 to certification  Formulate and implement required operational policies Academic, HR, ICT, etc.)	Initiation of ISO 9001:2015 and ISO /IEC 27001 to documentation level/stage  Development & implementation of strategic plan 2021/22-2024/25 Academic, HR policy
<b>Pillar 2: Access and Equity</b>	Enhance access and equity in the college	enhance students enrolment  Expand the physical infrastructure In the College	Students mass recruitment drives before every intake Diversify college academic and non-academic programme  Implement reverse integration of students with special needs and  Facilitate students registration with KUCCPS and HELB  Complete Twin storey workshop/Classroom	Increase of students enrolment to 1421  Increased courses offered from less than 50 upto more than 80 courses  Construction of Twin Tower with offices, Mechanical Engineering workshops, Hostels Renovation of old Lecture Halls

**Sikri Technical and Vocational College for The Blind and Deaf**  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

			Equip F&B, Hairdressing workshop	
<b>Pillar 3: Partnerships and collaboration</b>	Strengthen and enhance partnerships and collaborations with stakeholders in the realization of the college mandate	Strengthen the existing collaboration and linkages with relevant organizations	<p>implementation of the signed MoU/MoA</p> <p>Renewal of expiring MoU / MoA</p> <p>Establish more partnerships with relevant organizations</p> <p>Initiate MoU / MoA negotiation with the concerned organization</p>	<p>Partnership agreement with Sense International &amp; Kilimanjaro Blind trust Kenya</p> <p>Process of negotiating partnership with inABLE and Leonard Cheshire organizations</p>
<b>Pillar 4: Research, Innovation and Development</b>	Carry out vibrant and proactive Research in all spheres of life	Promote proactive Research, Innovation and Development in all spheres of life	<p>Establish and operationalize Research and Innovation Department</p> <p>Develop and implement a research and innovation policy</p> <p>Establish a research and innovation fund</p> <p>Participate in research fairs and Exhibitions and showcase innovation in robotic and TVET fairs</p>	<p>Participating in</p> <p>Coming up with innovative ways to solve problems arising from emerging trends in the dynamic globe</p> <p>Innovative products/Projects exhibited in Trade Fairs/ \Science week</p>
<b>Pillar 5: Environmental Management</b>	To manage and improve the physical Environment / Ecological Environment sustainably		<p>Participate in Environmental conservation efforts</p> <p>Ensure all developmental activities are preceded by an Environmental Impact study / assessment</p> <p>Manage wastes according to NEMA guidelines</p> <p>Adopting and implementing the ministerial policy on education for sustainable development (ESD)</p>	Utilize renewable energy in security lighting

**Sikri Technical and Vocational College for The Blind and Deaf**  
 Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

			Install solar powered lighting systems along access paths  Utilize renewable energy in heating and lighting	
<b>Pillar 6: Resources</b>	Optimize on the Resources available to the college	Diversify Sources of Income  Revenue mobilization	Establish Departmental Production Units  Enhance Departmental Partnerships with external funding agencies  Write at least 3 proposals for funding per year to government  Write at least three (3) Proposals for funding per year to potential donors	Establishment of IGA in agriculture department

## **VII. CORPORATE GOVERNANCE STATEMENT**

Sikri Technical and Vocational College for The Blind and Deaf (STVCBD) is a registered TVET institution offering technical/vocational training for persons with special needs in tune with the provisions and guidelines stipulated in the Technical and Vocational Education & Training Act No.29 of 2013 Persons with Disability Act 2003 and Sustainable Development Goal 4.

The Board of Governors of STVCBD was constituted in accordance with the provisions in the TVET Act 2013.

The members of the Board comprises of:

- A chairperson – Dr. Christine Ogola
- A representative from the principal secretary M.O.E responsible For Technical and Vocational Training (county Director MOE State department of Technical Education)
- And six other members:
  1. Eng. Philemon Origa –Finance Management
  2. Mr. Maurice Otunga-Leadership and Management
  3. Mrs. Esther Imbega-Technology
  4. Eng. Andrew Tarus-Engineering
  5. Madam Nancy Robi-Industry
  6. Mr. Vivian Ratemo- Law
  7. Mr. Eliud Otieno– Governor, Representative
  8. Mr. Samuel Kilonji Kaloki - Leadership and Management
- A secretary who is the Principal of the institute-Mr. Evans Omondi Oyoo

There are 3 (Three) committees of the BOG i.e.:

1. Finance, Infrastructure and Human Resource Committee
2. Education, Training & Research
3. Audit & Risk management committee

The board delegates management of the college to the C.E.O/Principal to deliver strategic direction and achieve the goals determined by the board. Any powers not specifically reserved for the board have been delegated to the Principal. The board is free to alter the matters reserved for its decision subject to the limitations imposed by the TVET Act 2013 and the written law.

Succession Plan: in accordance to the TVET Act2013 in appointing and reappointing members of the B.O.Gs, the Cabinet Secretary staggers the commencement dates of some members to maintenance proportion of new membership that ensures continuity in the affairs of the B.O.Gs. This Caters for a smooth succession .The M.O.E state department of Technical training also ensures training and induction of new Board members.

Existing B.O.G charter: the B.O.G Sikri Technical & Vocational College for the Blind and Deaf is guided by the provisions in the TVET Act. 2013 as in:

- Role of the board of Governors.
- Composition of Board.
- Duties & responsibilities of the board.
- Cessation of membership of the Board.
- Role of the chairperson to the Board.
- Role of the individual members of the Board.
- Delegation of management.
- Board committees.

- Conflict of interest.
- Board meetings.

The process of appointment and removal of council/ board members is stipulated in the TVET Act 2013. The appointment of members of the Board shall take into account ethics and gender balance and promote inclusion of persons with disabilities, minorities and the marginalized and ensure balanced competencies among the members.

The BOG members are appointed by the Cabinet Secretary M.O.E

Roles & functions of the B.O.G

- Development of infrastructure
- Sourcing for funds
- Enhancing training and research
- Networking linkages & collaboration with industry
- Collaborating with the surrounding communities to enhance training, research and industry
- Ensuring optimum enrollment of students & students welfare.

The Institute maintains a conflict of interest register where any B.O.G member is obliged to declare his/her interest.

### **VIII. MANAGEMENT DISCUSSION AND ANALYSIS**

During the Financial Year 2021/2022 the college received from Government **Ksh 40,762,262** for operational grants for recurrent/ Operational expenditures and **Ksh 7,485,000** for Quarter one capitation grants totaling to **Ksh 48,247,262**

No Development Grants were received during the financial year.

The Institute managed to raise the following incomes

- I. **Ksh 40,294,044** from rendering of service/ student fees on accrual basis,
- II. **Ksh 2,124,559** from farm sale of goods/ production unit
- III. **Ksh 98,300** from rental income from institute facilities.
- IV. **Ksh 40,700** from other income from disposal of livestock (cows)

#### **During the FY 2021/2022 the college incurred the following expenditures**

- a) Good and Services **Ksh 51,041,834** where purchase of tuition training materials, Purchase of boarding items for students, taking students to participate in sports activities, & medical expenses
- b) Employee cost **Ksh 17,483,166** where contracted security firm, BOG teaching and non-teaching staff salaries were paid and contributions of statutory deductions submitted to the relevant offices (i.e. NHIF, NSSF & KRA)
- c) Remuneration of Directors **Ksh 1,215,268** which covered BOG transport & sitting allowance to attend BOG Meetings, trainings & performance contract workshops
- d) Repairs & Maintenance **Ksh 1,833,974** where equipment's were repaired & maintained for their efficient use.
- e) General (Administration) Expenses **Ksh 14,332,586** for purchase of assorted stationeries, covid 19 prevention mechanisms, KATTI subscriptions, Performance contract costs and other administration costs
- f) The college charged Depreciation expenses of **Ksh 4,332,169** (*this being charged for Valuated Buildings Ksh 3,289,375, Furniture & Fittings Ksh 319,854, Computers Ksh 718,440 and Plant & Machinery Ksh 4,500*). Approved college Depreciation rates are on page 11

## **IX. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

This includes

### **1. Sustainability strategy and Profile**

STVCBD exists to impart skills, knowledge and attitude to trainees across East and central Africa region. The College provides relevant livelihood skills training to persons with disabilities including but not limited to The Visually impaired, Hearing impaired, intellectually challenged, Deaf Blind among others. The College takes a responsible approach towards balancing social and environmental factors to maintain a sustainable and successful organizational culture.

### **2. Environmental Performance**

Our environmental responsibilities comprise the care we take to protect nature and biodiversity, the steps we take to enhance local habitats through our work. We manage our college responsibly through a documented and proven integrated management system that is regularly audited for compliance ISO 9001:2015 (Quality management system).

The college seeks to protect the environment through the following measures;

- i. Use of Organic manure on the farm and not commercial
- ii. Burning waste in an incinerator
- iii. Planting minimum 500 trees annually
- iv. Use of Biogas for cooking

### **3. Employee welfare**

STVCBD has an HR policy document which takes into account:

- Hiring and Firing procedures
- Gender ratio(1/3 Rule)
- Capacity Building
- Staff welfare
- Appraisal and Reward system
- Health and Safety issues of Employees

### **4. Market place Practices**

STVCBD has an active Anti-Corruption Committee which reports to Ethics and Anti-Corruption Commission on quarterly basis. The college Leadership is also guided by Chapter six of the Kenyan constitution 2010 and Leadership and Integrity Act, 2012.

The College adheres to Procurement and Disposal Act and any policies on procurement as issued by Public procurement and Regulatory authority.

#### **5. Community Engagement**

The College despite being meant for the disabled only, has initiated a reverse integration programme where trainees with no disability learn together with their trainees with special needs.

The college has a subsidized fees structure for learners with special needs. We also involve partners to assist in provision of start up kits for needy Trainees.

STVCBD offers opportunity to other colleges and schools to learn on industry standards on various areas of specialization

**X. REPORT OF THE BOARD OF GOVERNORS**

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

**Principal activities**

The principal activities of STVCBD are set out on page "iii"

**Results**

The results of STVCBD for the year ended June 30<sup>th</sup> 2022 are set out on page 2

**BOARD OF GOVERNORS**

The members of the Board who served during the year are shown on page v to x

**Auditors**

The Auditor General is responsible for the statutory audit of STVCBD in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30, 2022  
By Order of the Board

  
.....

**Principal/ Secretary B.O.G**

Date: 22/09/22

**XI. STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES**

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

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

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

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

**Approval of the financial statements**

STVCBD financial statements were approved by the Board on ..... and signed on its behalf by:



.....  
**Chairperson**



.....  
**Principal/ Secretary**

statement of changes in net assets, statement of cash flows and statement of comparison of budget 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 the Sikri Technical and Vocational College for the Blind and Deaf as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with the Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Undisclosed Cash and Cash Equivalents Balance**

The statement of financial position reflects cash and cash equivalents balance of Kshs.5,069,051 and as disclosed in Note 17 to the financial statements. However, audit review revealed that the cash and cash equivalents does not include an undisclosed bank balance held in a Barclays Bank of Kenya account.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.5,069,051 could not be confirmed.

#### **2. Doubtful Receivables from Exchange Transactions**

The statement of financial position reflects receivables from exchange transactions of Kshs.18,029,027 which, as disclosed in Note 18 to the financial statements includes student debtors amounting to Kshs.17,859,559 whose aging analysis was not provided for audit review. In addition, the student debtors balance includes an amount of Kshs.3,061,530 owing from former students who had completed their studies. Further, the Finance Policy in place does not address the treatment and write off of long outstanding receivables from exchange transactions.

In the circumstances, the accuracy, completeness and recoverability of the receivables from exchange transactions of Kshs.18,029,027 could not be confirmed.

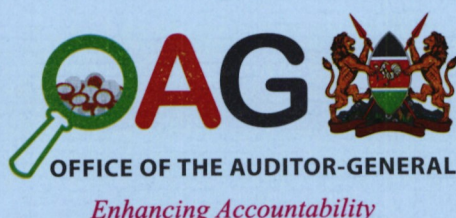
#### **3. Undisclosed Property, Plant and Equipment**

The statement of financial position and as disclosed in Note 20 to the financial statements reflects a balance of Kshs.146,149,442 in respect to property, plant and equipment. As previously reported, review of the assets register and physical inspection of the College's assets revealed that the Institution was in possession of donated assets which included tractors, coolant, motorcycles workshop training materials, motor vehicles and other assets whose values were not included in the assets register or the financial statements.

In the circumstances, the accuracy, completeness and fair presentation of the property, plant and equipment balance of Kshs.146,149,442 could not be confirmed.

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF FOR THE YEAR ENDED 30 JUNE, 2022**

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### PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Sikri Technical and Vocational College for the Blind and Deaf set out on pages 1 to 25, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, the

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*Report of the Auditor-General on Sikri Technical and Vocational College for the Blind and Deaf for the year ended 30 June, 2022*

#### **4. Doubtful Trade Payables from Exchange Transactions**

The statement of financial position reflects a balance of Kshs.13,188,151 in respect to trade payables from exchange transactions which, as disclosed in Note 22 to the financial statements includes creditors for the year of Kshs.12,906,171 whose aging analysis was not provided for audit to determine whether they were overdue.

In the circumstances, the validity and completeness of the trade payables from exchange transactions of Kshs.12,906,171 as at 30 June, 2022 could not be confirmed.

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

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of comparative budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.100,794,728 and Kshs.90,764,165 respectively resulting to an under funding of Kshs.10,030,563 or 10% of the budget. Similarly, the College spent Kshs.88,093,921 against an approved budget of Kshs.100,794,728 resulting to an under-expenditure of Kshs.12,700,807 or 13% of the budget.

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

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

#### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

##### **Conclusion**

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

## **Basis for Conclusion**

### **Non-Compliance with Law on Ethnic Composition**

Review of human resource records revealed that out of one hundred and twelve (112) employees, seventy-seven (77) or 69% were from one dominant Community in the region. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 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 overall governance were not effective.

## **Basis for Conclusion**

### **1. Weak ICT Physical Controls**

Review of the ICT physical controls environment revealed that the door to the server room was not burglar proof and there was no access control or register in place to track those who are accessing the server room. In addition, there was no air conditioner, fire extinguisher or fire suppression systems put in place to provide an environment where computer equipment can safely operate so that networking and other activities are made easier and more effective.

In the circumstances, the College may lose IT assets in the server room resulting from human intrusion or uncondusive operating environment.

### **2. Weaknesses in Management of Imprest Transactions**

Review of the internal control environment over management of imprest transactions revealed the following weaknesses:

- i. Lack of a cash book for office standing imprest contrary to the provisions of Regulation 93(14) of the Public Finance Management (National Government) Regulations, 2015 which provides that the holder of a standing imprest shall keep a memorandum cash book to record all receipts and payments and the balance on hand shall agree with the cash balance recorded in the cash book, and in the absence of any receipts, the actual cash balances plus the expenses paid shall equal at all times the fixed level of the imprest for which the imprest holder is personally responsible.
- ii. Failure to maintain an up-to-date temporary imprest register contrary to the provisions of Regulation 93(4)(b) and (c) of the Public Finance Management (National Government) Regulations, 2015 which requires that before issuing temporary imprests, the accounting officer shall ensure that the applicant has no outstanding imprests and that the applicant has been recorded in the imprest register including the amount applied for.

In the circumstances, Management was not effectively and efficiently managing and controlling imprest transactions during the year under review.

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 processes and systems of internal controls, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 control, risk management and governance.

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

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

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide the Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
 CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**19 May, 2023**


**KIII. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from the National Government – Operational grants	6	40,762,262	40,762,262
Transfers from the National Government – Capitation grants	6	7,485,000	-
		<b>48,247,262</b>	<b>40,762,262</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	7	40,294,044	22,225,410
Sale of goods-Production unit income	8	2,124,559	590,121
Rental revenue from facilities and equipment	9	98,300	66,500
Other Income	10	40,700	-
		<b>42,557,603</b>	<b>22,882,031</b>
<b>Total revenue</b>		<b>90,804,865</b>	<b>63,644,293</b>
<b>Expenses</b>			
Use of goods and services- Academic expenses	11	51,041,834	42,966,804
Employee costs	12	17,483,166	9,457,039
Remuneration of directors	13	1,215,268	2,055,443
Depreciation and amortization expense	14	4,332,169	3,922,687
Repairs and maintenance	15	1,833,974	3,164,869
Administration cost and general expense	16	14,332,586	5,903,346
<b>Total expenses</b>		<b>90,238,997</b>	<b>67,470,188</b>
<b>Net Surplus (Deficit) for the year</b>		<b>565,868</b>	<b>(3,825,896)</b>

The Financial Statements set out on pages 16 to 19 were signed by:

  
.....  
B.O.G Chairperson  
Date 22/09/2022

  
.....  
Finance Officer  
Date 22/09/2022

  
.....  
Principal  
Date 22/9/22

Sikri Technical and Vocational College for The Blind and Deaf

Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

XIV. STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2022

	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	5,069,051	4,259,546
Receivables from exchange transactions	18	18,029,027	11,519,830
Inventories	19	208,200	-
		<b>23,306,278</b>	<b>15,779,376</b>
<b>Non-current assets</b>			
Property, plant and equipment	20	146,149,442	146,433,778
Biological assets	21	678,500	846,000
<b>Total Non-current assets</b>		<b>146,827,942</b>	<b>147,279,778</b>
<b>Total Assets</b>		<b>170,134,219</b>	<b>163,059,153</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables from exchange transactions	22	13,188,151	6,678,953
Deferred income	23	49,679,630	49,679,630
<b>Total current liabilities</b>		<b>62,867,781</b>	<b>56,358,583</b>
<b>Capital and Reserve</b>			
Reserves	24	(236,000)	(236,000)
Accumulated surplus/ (deficit)	24	(7,209,565)	(7,775,433)
Capital fund	24	114,712,003	114,712,003
<b>Total Capital and Reserves</b>		<b>107,266,438</b>	<b>106,700,570</b>
<b>Total net Capital, Reserve and liabilities</b>		<b>170,134,219</b>	<b>163,059,153</b>

The Financial Statements set out on pages 3 to 23 were signed by:

  
.....  
B.O.G Chairperson

Date.....22/09/2022.....

  
.....  
Finance Officer

Date.....22/09/2022.....

  
.....  
Principal

Date.....22/9/22.....


**XV. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

	Re-valuation Reserve	Accumulated Surplus	Capital/ Development Grants/Fund	Total
<b>At July 1, 2020</b>	(343,800)	(3,949,537)	114,712,003	110,418,666
Increase/ Decrease in Valuation of Biological assets	107,800	-	-	107,800
Total comprehensive income FY 2020/2021	-	(3,825,896)	-	(3,825,896)
<b>At June 30, 2021</b>	(236,000)	(7,775,433)	114,712,003	106,700,570
<b>At July 1, 2021</b>	(236,000)	(7,775,433)	114,712,003	106,700,570
Total comprehensive income FY 2021/2022	-	565,868	-	565,868
<b>At 30<sup>th</sup> June, 2022</b>	(263,000)	(7,209,565)	114,712,003	107,266,438


**XVI. STATEMENT OF CASH FLOWS FOR THE -YEAR ENDED 30<sup>TH</sup> JUNE 2022**

	Note	2021-2022 Kshs	2020-2021 Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other Government entities/Govt. grants	6	48,247,262	40,762,262
Rendering of services- Fees from students	7	40,294,044	22,225,410
Sale of goods- Production unit income	8	2,124,559	590,121
Rental revenue from facilities and equipment	9	98,300	66,500
<b>Total Inflows</b>		<b>90,764,165</b>	<b>69,209,030</b>
<b>Payments</b>			
Use of goods and services	11	(51,041,834)	(42,966,804)
Compensation of employees	12	(17,483,166)	(9,457,039)
Remuneration of Governors	13	(1,215,268)	(2,055,443)
Repair and Maintenance	15	(1,833,974)	(3,164,869)
Administration Cost	16	(14,332,586)	(5,903,346)
Decrease in prepayments		-	(35,247)
Decrease in Rent Arrears		-	(18,397)
Decrease in Direct Deposits		-	(95,123)
Decrease in Valuation of livestock		-	(236,000)
<b>Total Outflows</b>		<b>(85,906,828)</b>	<b>(68,571,790)</b>
<b>Net cash out flows from operating activities</b>		<b>4,857,337</b>	<b>(637,240)</b>
<b>Adjustments for:</b>			
Increase in Receivables	18	(6,509,197)	(4,639,522)
Increase in Payables	22	6,509,198	5,559,018
<b>Net cash out flows from operating activities</b>		<b>4,857,338</b>	
<b>Cash flows out from investing activities</b>			
Purchase of computers & computer software	20	(1,010,800)	(832,000)
W.I.P construction of twin classroom complex	20	(2,187,093)	(4,575,042)
Purchase of Motor vehicle engine (plant & equipment)	20	-	(36,000)
Furniture & fittings	20	(849,940)	(1,595,895)
<b>Net cash flows used in investing activities</b>		<b>(4,047,833)</b>	<b>(3,390,527)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>809,505</b>	<b>(6,401,696)</b>
Cash and cash equivalents at 1 July 2021	17	4,259,546	10,661,243
<b>Cash and cash equivalents at 30 June 2022</b>	17	<b>5,069,051</b>	<b>4,259,546</b>

The Financial Statements set out on pages 3 to 23 were signed by:

  
.....  
**B.O.G Chairperson**  
Date..... 22/09/2022

  
.....  
**Finance Officer**  
Date..... 22/09/2022

  
.....  
**Principal**  
Date..... 22/9/22

**Sikri Technical and Vocational College for The Blind and Deaf**

Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

**XVII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022
<b>Revenue</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>%</b>
Transfers from Government- Operational grants	40,612,763	0	40,612,763	48,247,262	7,634,499	19%
Rendering of services- Fees from students	51,105,175	0	51,105,175	40,294,044	(10,811,131)	(21%)
Construction of modern dormitories	4,500,000	0	4,500,000	0	(4,500,000)	(100%)
Production Unit and Sale of goods	4,332,790	0	4,332,790	2,124,559	(2,208,231)	(51%)
Rental Income	144,000	0	144,000	98,300.00	(45,700)	(32%)
Leasing Income	100,000	0	100,000	0	(100,000)	(100%)
<b>Total income</b>	<b>100,794,728</b>	<b>0</b>	<b>100,794,728</b>	<b>90,764,165</b>	<b>(10,030,563)</b>	<b>(10%)</b>
<b>Expenses</b>						
Personnel Emoluments	19,177,153	0	19,177,153	17,483,166	(1,693,987)	(9%)
Goods & Services	56,841,325	0	56,841,325	51,041,834	(5,799,491)	(10%)
Administration Cost	14,181,250	0	14,181,250	14,332,586	151,336	1%
Remuneration of directors	2,085,000	0	2,085,000	1,215,268	(869,732)	(42%)
Repair and Maintenance (R.M.I)	4,010,000	0	4,010,000	1,833,974	(2,176,026)	(54%)
<b>Development Expenditures</b>		0				
Construction of Classroom complex completion/modern dormitories	4,500,000	0	4,500,000	2,187,093	(2,312,907)	(51%)
<b>Total expenditure</b>	<b>100,794,728</b>	<b>0</b>	<b>100,794,728</b>	<b>88,093,921</b>	<b>(12,700,807)</b>	<b>(13%)</b>
<b>Surplus for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,670,244</b>	<b>(2,670,244)</b>	

**Budget notes**

1. The major cause of not fully raising academic income is due to Covid 19 that disrupted studies hence poor fee collection from students
2. College only received Q1 capitation grants of Ksh 7,485,000 from Government during the financial year ended 30<sup>th</sup> June 2022
3. Poor/changing weather led to low performance in production unit
4. A-in-A- Production unit was boosted by income from Registration and Boarding for students.
5. The college budgeted Ksh 4,500,000 for development grants during the financial year, but this was not received as at 30<sup>th</sup> June 2022

## **XVIII. NOTES TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION**

STVCBD is established by and derives its authority and accountability from TVET Act 2013. It's wholly owned by the Government of Kenya and is domiciled in Kenya. STVCBD's principal activity is highlighted on page "iii"

### **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 partial 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 STVCBD accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed.

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

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

### **3. ADOPTION OF NEW AND REVISED STANDARDS**

#### **4.**

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

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

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

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an STVCBD's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42: Social Benefits</b></p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ol>

<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> </ul> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
<p>Other improvements to IPSAS</p>	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008).</li> <li>• <i>IPSAS 39: Employee Benefits</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</li> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b> Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</li> </ul>
<p>IPSAS 43</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p>

<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
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**iii. Early adoption of standards**

*STVCBD has not earlier adopted hence not applicable.*

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to STVCBD and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

**ii) Revenue from exchange transactions**

**Academic Income-Rendering of services**

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

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

**Production unit-Sale of goods**

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

**ii) Revenue from exchange transactions**

**Rental income**

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

**b) Budget information**

The original budget for FY 2021/2022 was approved by the Board of Governors on 26<sup>th</sup> June 2021. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by STVCBD upon receiving the respective approvals in order to conclude the final budget.

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

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

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

**c) Taxes**

***Current income tax***

STVCBD is exempt from paying taxes as per income tax schedule Act.

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

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

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

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

*This is not applicable to STVCBD*

**d) Investment property**

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

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

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal

proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

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

*This is not applicable to STVCBD*

**e) Property, plant and equipment**

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

Applicable depreciation rates on straight-line basis are as follows;

➤ Land	0%
➤ Buildings	2.5%
➤ Work In Progress	0%
➤ Computers	30%
➤ Plant & Machinery	12.5%
➤ Furniture & Fittings	12.5%
➤ Computers & Software	30%
➤ Biological asset	0%

**f) Leases**

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

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

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

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

*This is not applicable to STVCBD*

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets,

excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite

*This is not applicable to STVCBD*

#### **h) Research and development costs**

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

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

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

*This is not applicable to STVCBD*

#### **i) Financial instruments**

##### ***Financial assets***

##### ***Initial recognition and measurement***

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

##### ***Loans and receivables***

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

##### ***Held-to-maturity***

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

##### ***Impairment of financial assets***

STVCBD assesses at each reporting date whether there is objective evidence that a financial asset or an STVCBD of financial assets is impaired. A financial asset or a STVCBD of financial assets is deemed to be impaired if, and only if, there is objective

evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or STVCBD of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

***Impairment of financial assets***

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

***Financial liabilities***

***Initial recognition and measurement***

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

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

***Loans and borrowing***

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

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

*This is not applicable to STVCBD*

**i) Inventories**

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

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

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

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

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 STVCBD.

**j) Provisions**

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

Where STVCBD 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***

STVCBD 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***

STVCBD 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 STVCBD 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.

**k) Nature and purpose of reserves**

STVCBD creates and maintains reserves in terms of specific requirements.

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

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

**m) Employee benefits**

**Retirement benefit plans**

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

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

**n) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency

are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**o) 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.

**p) Related parties**

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

**q) Service concession arrangements**

STVCBD 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, STVCBD 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, STVCBD also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**r) 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 authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**s) Comparative figures**

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

**t) 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<sup>th</sup>, 2022.

## 5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of STVCBD'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. STVCBD 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 STVCBD. 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 STVCBD
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

### Provisions

Provisions were raised and management determined an estimate based on the information available.

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

## 6 TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2021-2022	2020-2021
	KShs	KShs
<b>Unconditional grants</b>		
Operational grant	40,762,262.25	40,762,262
Capitation grants	7,485,000.00	0
<b>Conditional grant</b>		
Development Grants for Construction of classroom complex	0	0
<b>Total government grants and subsidies</b>	<b>48,247,262.25</b>	<b>40,762,262</b>

**Sikri Technical and Vocational College for The Blind and Deaf**  
Annual Report and Financial Statements for The Year Ended 30<sup>th</sup> June 2022

**a) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES**

Name of STVCBD sending the grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under-deferred income KShs	Amount recognized in capital fund.	Total grant income during the year	Total comparative grant for previous year
				2021-2022	2020-2021
			KShs	KShs	KShs
Ministry of Education State Department of TVET	48,247,262.25	0	0	48,247,262.25	48,247,262.25
<b>Total</b>	<b>48,247,262.25</b>	<b>0</b>	<b>0</b>	<b>48,247,262.25</b>	<b>40,762,262.25</b>

**7 RENDERING OF SERVICES-ACADEMIC INCOME**

Description	2021-2022	2020-2021
	KShs	KShs
Tuition & Training fees	1,362,200	6,392,120
Meals (B.E.S)	12,300	542,333
Local Transport & Travel (L.T.&T)	2,534,510	819,723
Repair Maintenance & Improvement	1,366,346	438,729
Activity fees	3,475,060	978,992
Medical	1,017,885	371,234
Electricity Water & Conservancy (E.W.&C)	1,589,548	553,107
Exam Fee	3,612,480	2,068,765
Personal Emoluments (P.E)	8,420,742	2,638,153
Student ID card	0	2,850
Student Expense Income	0	15,000
Admin Income	6,250	163,707
Parents/ Staff training Income	0	227,300
Industrial Attachment	2,136,000	574,065
Insurance	901,000	604,000
Library book fund	1,578,370	449,260
Student Council	954,300	271,750
Development project fund	1,798,000	1,210,000
Contingency risk fund	1,079,250	301,005
Fee adjustments corrections	346,393	188,888
Food & Beverage section- Practical fee	297,500	0
Registration	759,910	390,550
Caution Money	0.00	2,000
Boarding fee	7,025,000	2,982,640
Accommodation (to External Facility)	21,000	21,000
Boarding Fee May/ June 2021	-	8,739
Hostels	-	5,000
Library	-	4,500
<b>Total revenue from the rendering of services</b>	<b>40,294,044</b>	<b>22,225,410</b>

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**8 SALE OF GOODS-PRODUCTION UNIT**

Description	2021-2022	2020-2021
<b>Sale of goods</b>	<b>KShs</b>	<b>KShs</b>
Dairy Milk sales	31,900	183,557
Hen House egg sales	1,472,620	549,820
Pigs income	109,010	97,510
Clothing & textiles	0.00	13,120
Crop production	6,030	3,350
Hire of facilities for catering	508,800	500
Tender Income	6,000	17,000
Deaf blind Rehabilitation income	745,600	60,200
Welding & fabrication	-	9,000
Sheep department income	-	7,500
Carpentry & Joinery	2,800	46,000
Tractor Income	33,500	13,250
Institutional Management- F& B Section	40,400	58,815
Production unit expenses	(832,101)	(469,501)
<b>Total revenue from the sale of goods</b>	<b>2,124,559</b>	<b>590,121</b>

**9 RENTAL REVENUE FROM FACILITIES**

Description	2021-2022	2020-2021
	<b>KShs</b>	<b>KShs</b>
Rent income received during the FY	98,300	66,500
<b>Total rentals</b>	<b>98,300</b>	<b>66,500</b>

**10 OTHER INCOME**

Description	2021-2022	2020-2021
	<b>KShs</b>	<b>KShs</b>
Gain on Disposals of Livestock	40,700	-
<b>Total rentals</b>	<b>40,700</b>	<b>-</b>

**11 ACADEMIC EXPENSES-USE OF GOODS AND SERVICES**

Description	2021-2022	2020-2021
	<b>KShs</b>	<b>KShs</b>
Tuition & Training (S.E.S)	19,467,310	25,530,636
Boarding/ Meals (B.E.S)	11,275,705	5,679,233
E.W.&C	1,478,728	1,891,327
Medical & Insurance	399,681	222,110
Sports & Activity	3,653,070	97,925
Exam costs	6,053,856	1,443,610
Parents/ Staff training	697,600	3,319,715
Student Expenses	8,000	13,000
L.T.& T	7,829,554	4,724,248
Student Council expenses	163,330	30,000
Accommodation to external facility	15,000	15,000
<b>Total good and services</b>	<b>51,041,834</b>	<b>42,966,804</b>

**12 EMPLOYEE COSTS**

	2021-2022	2020-2021
	<b>KShs</b>	<b>KShs</b>
Salaries and wages	17,483,166	9,457,039
<b>Employee costs</b>	<b>17,483,166</b>	<b>9,457,039</b>

**13 REMUNERATION OF B.O.G/ DIRECTORS**

Description	2021-2022	2020-2021
	KShs	KShs
Chairman's Honoraria	82,729	334,595
Other Directors emoluments	1,132,539	1,720,848
<b>Total director emoluments</b>	<b>1,215,268</b>	<b>2,055,443</b>

**14 DEPRECIATION AND AMORTIZATION EXPENSE**

Description	2021-2022	2020-2021
	KShs	KShs
Property, plant and equipment	4,332,169	3,922,687
<b>Total depreciation and amortization</b>	<b>4,332,169</b>	<b>3,922,687</b>

**15 REPAIRS AND MAINTENANCE**

Description	2021-2022	2020-2021
	KShs	KShs
Equipment and machinery	1,833,974	3,164,869
<b>Total repairs and maintenance</b>	<b>1,833,974</b>	<b>3,164,869</b>

**16 ADMIN COSTS-GENERAL EXPENSE**

Description	2021-2022	2020-2021
	KShs	KShs
Administration costs	14,332,586	5,903,346
<b>Total Administration costs</b>	<b>14,332,586</b>	<b>5,903,346</b>

**17 CASH AND CASH EQUIVALENTS**

Description	2021-2022	2020-2021
	KShs	KShs
Current Bank accounts	4,974,374	4,167,141
Cash at hand	94,677	92,405
<b>Total cash and cash equivalents</b>	<b>5,069,051</b>	<b>4,259,546</b>

**17(a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

Financial institution	Account number	2021-2022	2020-2021
		KShs	KShs
<b>a) Current account</b>			
KCB-Recurrent	1101985127	1,853,178	2,996,203
KCB- Development	1136587330	785,769	222,198
CO-OP- IGA	01129455730200	1,006,522	250,850
Equity- School Fund	1500263365733	1,328,905	697,891
<b>b) Others</b>			
Cash in hand	N/A	94,677	92,405
<b>Grand total</b>		<b>5,069,050</b>	<b>4,259,546</b>

- The college has an account in Barclays (Absa) Bank Account no. 0081210756.
- College account in Barclays/Absa bank has been dormant for eight years (was being used by CBM (an NGO) to finance purchase of training materials), the management is in the process of its activation and it shall be included in FY 2022/2023 financial report and statements

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**18 RECEIVABLES FROM EXCHANGE TRANSACTIONS**

Description	2021-2022	2020-2021
	KShs	KShs
<b>Current receivables</b>		
Student balances	17,859,559	11,127,186
PU receivables	169,468	392,644
<b>Total current receivables</b>	<b>18,029,027</b>	<b>11,519,830</b>

**19 INVENTORIES**

Description	2021-2022	2020-2021
	KShs	KShs
Consumable stores	117,925	0
Maintenance stores	53,550	0
Cleaning material stores	36,725	0
<b>Total grants and subsidies</b>	<b>208,200</b>	<b>0</b>

**20 PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings	Furniture & Fittings	Computers & Software	Plant & Equipment	Capital W.I.P	Total
Cost	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh
At 1 July 2020	11,000,000	131,575,000	113,000	552,000	0	2,502,527	145,742,527
Additions	0	0	1,595,895	832,000	36,000	4,575,042	7,146,737
<b>As at 30<sup>th</sup> June 2021</b>	<b>11,000,000</b>	<b>131,575,000</b>	<b>1,708,895</b>	<b>1,384,000</b>	<b>36,000</b>	<b>7,077,569</b>	<b>152,781,464</b>
As at 1 <sup>st</sup> July 2021	11,000,000	131,575,000	1,708,895	1,384,000	36,000	7,077,569	152,781,464
Additions	0	0	849,940	1,010,800	0	2,187,093	4,047,833
<b>At 30<sup>th</sup> June 2022</b>	<b>11,000,000</b>	<b>131,575,000</b>	<b>2,558,835</b>	<b>2,394,800</b>	<b>36,000</b>	<b>9,264,662</b>	<b>157,346,787</b>
<b>Depreciation and impairment</b>							
Accumulated Depreciation	0	(5,714,375)	(213,611)	(415,200)	(4,500)	0	(6,347,686)
Dep. Charge for the year	0	(3,289,375)	(319,854)	(718,440)	(4,500)	0	(4,332,169)
<b>At 30 June 2022</b>	<b>0</b>	<b>(9,003,750)</b>	<b>(533,465)</b>	<b>(1,133,640)</b>	<b>(9,000)</b>	<b>0</b>	<b>(10,679,855)</b>
<b>Net Book Values</b>							
<b>At 30<sup>th</sup> June 2022</b>	<b>11,000,000</b>	<b>122,571,250</b>	<b>2,025,370</b>	<b>1,261,160</b>	<b>27,000</b>	<b>9,264,662</b>	<b>146,149,442</b>
At 30 <sup>th</sup> June 2021	11,000,000	131,575,000	1,708,895	1,384,000	36,000	7,077,569	152,781,464

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements on 22<sup>nd</sup> February 2018, Valued by Mutua J.M- County Valuer Kisii

**21 BIOLOGICAL ASSETS**

	2021-2022	2020-2021
	KShs	KShs
Valuation at the beginning of the year	846,000	738,200
Disposal of Livestock (Cows)	167,500	0
Changes in valuation during the year, Increase/ (Decrease)	0	107,800
<b>Valuation at end of the year</b>	<b>678,500</b>	<b>846,000</b>

**22 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS**

Description	2021-2022	2020-2021
	KShs	KShs
Creditors for the year	12,906,171	6,451,718
School Fees paid in advance	281,980	227,235
<b>Total trade and other payables</b>	<b>13,188,151</b>	<b>6,678,953</b>

**23 DEFERED INCOME**

Description	2021-2022	2020-2021
	KShs	KShs
National Government (construction of twin workshop complex)	49,679,630	49,679,630
<b>Total Deferred Income</b>	<b>49,679,630</b>	<b>49,679,630</b>

**24 CAPITAL AND RESERVE**

	Valuation	Retained earnings	Capital/ Development Grants/Fund	Total
<b>At July 1, 2020</b>	<b>(343,800)</b>	<b>(3,949,537)</b>	<b>114,712,003</b>	<b>110,418,666</b>
Increase in valuation of biological assets	107,800	-	-	<b>107,800</b>
Total comprehensive income FY 2020/2021	-	<b>(3,825,896)</b>	-	<b>(3,825,896)</b>
<b>At 30<sup>th</sup> June, 2021</b>	<b>(236,000)</b>	<b>(7,775,433)</b>	<b>114,712,003</b>	<b>106,700,570</b>
<b>At July 1, 2021</b>	<b>(236,000)</b>	<b>(7,775,433)</b>	<b>114,712,003</b>	<b>106,700,570</b>
Total comprehensive income FY 2021/2022	-	565,868	-	565,868
<b>At 30<sup>th</sup> June, 2022</b>	<b>(236,000)</b>	<b>(7,209,565)</b>	<b>114,712,003</b>	<b>107,266,438</b>

**25 EMPLOYEE BENEFIT OBLIGATIONS**

The Institute also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at 6% employer and 6% employee totaling to 12% per employee per month not exceeding Ksh 2,160.00 per employee.

**26 FINANCIAL RISK MANAGEMENT**

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

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

**(i) Credit risk**

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

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or

external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Institute 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 STVCBD's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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

STVCBD has significant concentration of credit risk on amounts and the board of Governors sets the institute's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**(ii) Liquidity risk management**

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

The table below represents cash flows payable by STVCBD 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.

**(iii) Market risk**

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

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

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

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

**a) Foreign currency risk**

STVCBD has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

## **27. RELATED PARTY BALANCES**

### **Nature of related party relationships**

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

### **Government of Kenya**

The Government of Kenya is the principal shareholder holding 100% of STVCBD equity.

Other related parties include:

- i) The National Government;
- ii) The Parent Ministry- Ministry of Education;
- iii) County Government;
- iv) Members of Public;
- v) Parents/ guardian, students and entire staff;
- vi) Key Administration management;
- vii) Board of Governors;

## **28. EVENTS AFTER THE REPORTING PERIOD**

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

## **29. ULTIMATE AND HOLDING ENTITY**

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

## **30. CURRENCY**

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

**APPENDIX 1: IMPLEMENTATION STATUS OF AUDITOR-GENERAL RECOMMENDATIONS**

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


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	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 )
SNY/SIKRI TIVET/2020/2021/(27)	Undisclosed Property, Plant and Equipment	Valuation of other assets not included in P.P.E including computers, furniture, vehicles, tractors, motorcycles, and other assets is in process and the values shall be incorporated in the next financial statements & report (FY 2022/2023)	Principal	Not Resolved	30 <sup>th</sup> April 2023
		Balance of Ksh Ksh 107,800 resulted from changes in valuation during the financial year and was well captured in note 22	Finance Officer	Resolved	
SNY/SIKRI TIVET/2020/2021/(27)	Inaccuracies in the statement of cash flows	Finance officer to improve on accuracy and completeness of cash flow statements and amounts from inflows and outflows be verifiable	Finance Officer	Resolved	
SNY/SIKRI TIVET/2020/2021/(27)	Inaccuracies in the statement of comparison of Budget and Actual amounts	The actual values for revenue are Operational grant 40,762,262 ( note 6), Rendering of services 22,225,410 (note 7) Production unit sales 590,121 (note 8) and Rental Income 66,500 (note 9). After updating in the notes they were erroneously not updated in statement of comparison of budget and actual. This accuracy shall be improved on in future	Finance Officer	Resolved	
SNY/SIKRI TIVET/2020/2021/(27)	Budgetary Control and Performance	Budget underfunding of 30,147,513 arose due to budgeted capitation grants from Government which were not received during the financial year. The BOG shall continue to lobby for these funds in future.	Principal	Resolved	
SNY/SIKRI TIVET/2020/2021/(27)	Non Compliance with law of Ethnic Composition	The management is committed in ensuring section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that states all public establishments shall seek to represent the diversity of the people of Kenya in future employment of staff.	Principal	Not Resolved	30 <sup>th</sup> June 2023

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SNY/SIKRI TIVET/202 0/2021/(27)	Lack of Internal Audit Function and an Audit Committee of the Board	The management shall ensure internal audit function and audit committee of the board is established as per section 155 of the PFM Act, 2012	Principal	Resolved	30 <sup>th</sup> Septemb er 2022
SNY/SIKRI TIVET/202 0/2021/(27)	Lack of Risk Management Policy and Strategy	The management shall ensure risk management policy is developed and approved by the Board of Governors for implementat, on as per regulation 165 (1)(a) and (b) of PFM Regulations, 2015	Principal	Resolved	30 <sup>th</sup> Decemb er 2022

**Guidance Notes:**

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

  
Principal/ Secretary B.O.G

Date: 

**APPENDIX II: PROJECTS IMPLEMENTED BY STVCBD**

**Projects**

Projects implemented by the Institute funded by Government/ Donor.

Project title	Project Number	Donor/ GOK	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1. Construction of twin classroom complex	N/A	GOK	5yrs	N/A	N/A (Govt. funded 100%)	Yes

**Status of Project completion**

Project	Total Project cost	Total expended to date	Completion % to date	Budget	Actual	Source of funds
1 Construction of twin classroom complex	53,999,410	50,137,802	93%	53,999,410	50,137,802	GoK

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**MINISTRY OF EDUCATION**  
**State Department of Vocational & Technical Training**  
**SIKRI TECHNICAL TRAINING INSTITUTE**

**FOR THE BLIND AND DEAF**  
**P.O. Box 194 - 40222, OYUGIS**  
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**Office Cell Phone: 0745323274**



*SIKRI TVC*  
*P.O.BOX 194-40222*

The Sikri Technical & Vocational College for the Blind & Deaf wishes to confirm the amounts disbursed to us as at 30<sup>th</sup> June 2022 as indicated in the table below. It includes comparison of the amounts disbursed and amounts received and populate the column E in the table below

Reference Number	Date Disbursed	Amounts Disbursed by MOE State department of TVET (Kshs) as at 30th June 2022				Amount Received by Sikri TVCBD (KShs) as at 30 <sup>th</sup> June 2022 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	17/09/2021	10,153,190.75	0	0	10,153,190.75	10,153,190.75	0
	30/12/2021	7,485,000.00	0	0	7,485,000.00	7,485,000.00	0
	25/10/2021	10,153,190.75	0	0	10,153,190.75	10,153,190.75	0
	05/01/2022	149,500.00	0	0	149,500.00	149,500.00	0
	18/02/2022	10,153,190.75	0	0	10,153,190.75	10,153,190.75	0
	25/04/2022	10,153,190.75	0	0	10,153,190.75	10,153,190.75	0
<b>Total</b>		<b>48,247,262.25</b>			<b>48,247,262.25</b>	<b>48,247,262.25</b>	

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

**Head of Accountants department of STVCBD: Finance Officer**

Name Herbert Ngara Sign [Signature] Date 20/09/2022