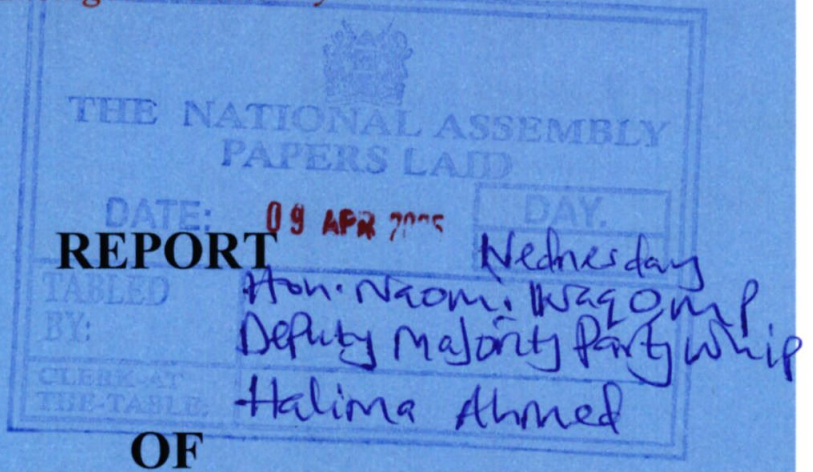
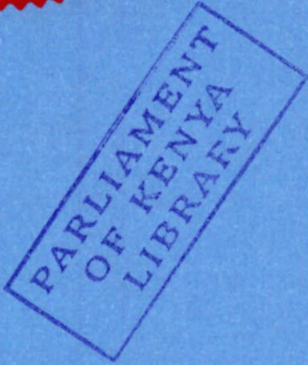


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

**KENYA ENGINEERING TECHNOLOGY
REGISTRATION BOARD**

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



STATE
NAIROBI

30 DEC 2024

RECEIVED



KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

Table of Contents.....	Page
1. Acronyms, Abbreviations and Glossary of Terms	iii
2. Key KETRB Information and Management.....	iv
3. The Board of Directors.....	ix
4. Key Management Team.....	xii
5. Chairman’s Statement.....	xiv
6. Report of the Chief Executive Officer	xv
7. Statement of Performance against Predetermined Objectives for FY 2023/2024-1.....	xvi
8. Corporate Governance Statement.....	xviii
9. Management Discussion and Analysis.....	xxii
10. Environmental and Sustainability Reporting	xxiii
11. Report of the Directors.....	xxv
12. Statement of Directors Responsibilities.....	xxvii
13. Report of the Independent Auditor for the Financial Statements of Kenya Engineering Technology Registration Board	xxix
14. Statement of Financial Performance for the year ended 30 June 2024	1
15 Statement of Financial Position as at 30 June 2024	2
16. Statement of Changes in Net Assets for the year ended 30 June 2024.....	3
17. Statement of Cash Flows for the year ended 30 June 2024.....	4
18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024...	5
19. Notes to the Financial Statements	6
Appendix I: Transfers from Other Government Entities.....	25

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

1. Acronyms, Abbreviations and Glossary of Terms

A: Acronyms and Abbreviations

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

B: Glossary of Terms

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

Comparative Year - Means the prior period.

2. Key KETRB Information and Management

(a) Background information

KETRB's undertakings were guided by the Engineering Technology Act, 2016. Currently, KETRB is domiciled State Department of Roads, Ministry of Roads and Transport.

(b) Principal Activities

Vision Statement

To be a renowned regulatory body for advancement of the engineering technology Profession

Mission Statement

To set and enforce standards that promote the engineering technology profession and ensure provision of quality works and services by the stakeholders

Strategic Objectives

The Board is currently operationalizing its 2023-2027 strategic plan which outlines the following strategic objectives:

- i) To register engineering technologists, technicians, craft-persons and artisans (engineering technology professionals) and engineering technology firms.
- ii) To issue licenses to engineering technology professionals and engineering technology firms
- iii) To regulate engineering technology professional services.
- iv) To develop and enforce engineering technology standards.
- v) To conduct professional examinations for engineering technologists and technicians.
- vi) To coordinate continuing professional development for engineering technologists and technicians

Section 5 of the Engineering Technology Act, 2016 gives the functions of the Board. The Board's functions are therefore to:

- a) Issue licenses to qualified persons;
- b) Take disciplinary measures;
- c) Enter and inspect sites where construction, installation, erection, alteration, renovation, maintenance, processing or manufacturing works are in progress for the purpose of verifying that-

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

- i. engineering professional services and works are undertaken by persons registered under this Act;
 - ii. standards and professional ethics and relevant health and safety aspects are observed, in line with Occupational Safety and Health Act, 2007;
- d) Assess, approve or reject engineering technology qualifications of foreign persons intending to offer engineering technology professional services or works in Kenya;
- e) Enter and inspect business premises for verification purposes or for monitoring works, services and goods rendered by professional engineering technologists;
- f) Recommend for the suspension of any engineering technology professional services, works, projects, installation process or any other engineering technology works, which are done without meeting the standards;
- g) Participate, as a stakeholder in formulating engineering technology programme in public and private universities and other tertiary level educational institutions offering education in engineering technology for the purposes of registration of engineering technologists;
- h) Set standards for engineering technologists in management, marketing, professional ethics, environmental issues, safety, legal matters or any other relevant field;
- i) Conduct professional examinations for the purposes of registration where applicable;
- j) Plan, arrange, co-ordinate and oversee professional training and facilitate internship of engineering technologists;
- k) Collaborate with engineering technology training institutions and organisations, professional associations and other relevant bodies in matters relating to training and professional development of engineering technologists;
- l) Determine the fees to be charged by engineering technologists and firms for professional services rendered from time to time;
- m) Hear and determine such disputes relating to the professional conduct or ethics of engineering technologists;
- n) Issue, maintain and enforce the code of ethics for engineering technologists and technicians and regulate the conduct and ethics of the engineering technology profession in general;
- o) Determine disciplines of engineering technology under this Act; and
- p) Do anything incidental or conducive to the performance of any of the preceding functions.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

(c) Key Management

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

- The Board of Directors
- The Registrar/ Chief Executive Officer
- Heads of Departments

(d) Fiduciary Management

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

No.	Designation	Name
1.	CEO	Alice Mutai
2.	Research & Standard Officer	Patrick K Ronoh
3.	Partnership & Professional Development Officer	David Nyambuti Ndubi
4.	Registration and Licensing Officer	Peter K Ngetich
5.	Supply Chain Management Officer	Nelson Kande
6.	Human Resource Management Officer	Betty J Kipyegon
7	ICT Officer	Francisca Murkomen
8	Finance Officer	Hadija Wako

(e) Fiduciary Oversight Arrangements

The Board has three (3) Board Committees:

- Technical Committee
- Finance and General-Purpose Committee
- Audit Committee

i. Technical Committee

The Technical Committee reviews plans and guidelines for the effective implementation of the provisions of the Engineering Technology Act No 23 of 2016, Engineering Technology regulations, standards and guidelines, recommends for approval of applicants for registration and licensing.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

ii. Finance and General-Purpose Committee

The Finance and General-Purpose Committee has direct oversight on the financial activities of the Board. The Committee reviews the long term and annual plans, budget, finance reports, human capital reports, procurement plans, workplace policies, performance contracting and ICT reports.

iii. Audit Committee

The Audit Committee evaluates adequacy of management procedures with regard to issues relating to risk management, control and governance, reviews and assesses the adequacy and compliance of the Board's policies and procedures for identifying, assessing and managing risks (financial, legal, ethical, safety, reputational or other). For the purposes of this paragraph, 'risk' is defined as the possibility of any circumstance that may prevent the Board from achieving its objectives.

(f) KETR B Headquarters

P.O. Box 37046-00200
11th Floor National Bank Building
Harambee Avenue
Nairobi, KENYA

(g) KETR B Contacts

Telephone: (254) 0740137877
E-mail: info@ketr b.go.ke
Website: www.ketr b.go.ke

(h) KETR B Bankers

- I. Kenya commercial Bank
Haile Selassie Avenue
P.O. Box 58992
City Square 00200
NAIROBI, KENYA

(i) Independent Auditor

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

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

Nairobi, Kenya

(j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice


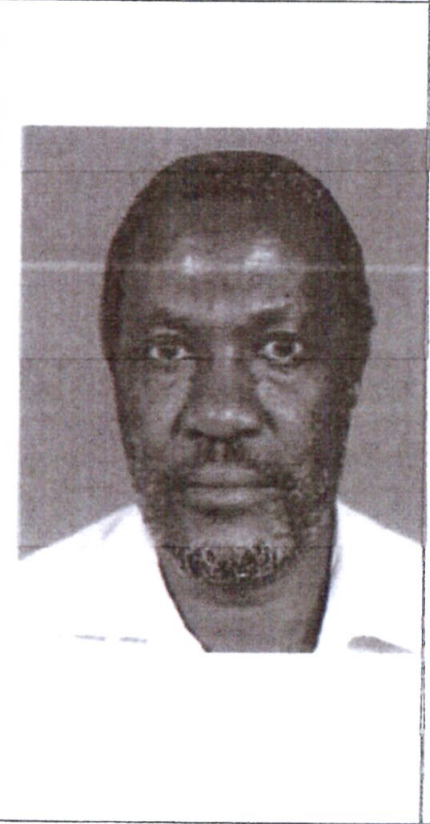
Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya




3. The Board of Directors

	<p>Mr. Nicholas Temoet (Chairperson) Mr. Nicholas Temoet holds a B.Sc. Electrical Engineering from the University of Nairobi. He has over 16 years' demonstrable experience in Power Utility business (Transmission and Distribution functions) - The Implementation of Rural Electrification projects in Western Kenya constructing over 300 projects, 11 and 33kV grid extension schemes. Lead consultant in the USAID project in Afghanistan Design and implementation of the Gaalkayo city 11kV distribution power network in Puntland Somalia with over 100 kilometres of 11kV line, 1X 7.5MVA 415/11kV S/S, 200 kilometres of low voltage and 50 secondary substations. Successfully developed the proposal for the smart metering power and water solutions to the 6 million customers of Kurdistan in Northern Iraq (The JV by Skycom, Ubitronix and MHI bid was for about US \$ 250 million though deferred due to escalation of the war). Installation and commissioning of the DISAMATIC 9010 foundry plant at the Kenya Railways Workshop with a multi-disciplinary team. Mr. Temoet is still leading in consultancy services in projects of great magnitude and national economic development.</p>
	<p>Prof. George Thumbi (Independent Director-Chair Technical Committee) from 23rd June 2023 From 1974 to 1979 Prof. Thumbi was Inspector of Water Supply Construction at Ministry of Water Development and an Instructor at Ministry of Water development Training School between 1981 – 1983. Prof joined JKUAT under TSC in January 1984 to August 1990. He transferred to JKUAT from TSC in August 1991 to March 2010 as an Assistant Lecturer and was promoted to Lecturer in August 1994 then to Senior Lecturer in September 1996. He then transferred to Kenya Polytechnic University College (the present Technical University of Kenya) in March 2010 as an Associate Professor in the department of Civil and Environmental Engineering. He was promoted to become a full Professor of Civil Engineering Technology in December 2014. He has supervised many students at Masters and PhD level. He has also published many research journals. Prof. Thumbi was appointed Board Member for Gatamaiyu Home for mentally challenged children in 2010. He was a Council member of the Technical and Vocational Education and Training Curriculum Development Assessment and Certification Council (TVET CDACC) in accordance to Article 44 (1) of the Technical and Vocational Education and Training (TVET) Act No.29 of 2013 until 2020.</p>

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD

Annual Report and Financial Statements

for the year ended June 30, 2024

	<p>Mr. Fred Oanda (Independent Director -Chair Finance General-Purpose Committee) from 23rd June 2023</p> <p>Mr. Fred Oanda is serving as Director of Accreditation and Outreach services at TVET Authority.</p> <p>Mr. Oanda holds a M.Sc in Management and Information Systems (University of Manchester), BSc. Agricultural Engineering (Egerton University) and Diploma in Technical Education from KSTVET (formerly KTTC).</p> <p>He is heading the accreditation and outreach services and in charge of policies and Strategies for accreditation and Outreach; coordinates inspections, accreditation and approval of trainers, assessors, verifiers, training centres, Institutions and Programmes at TVET Authority.</p> <p>Prior to his current appointment at the TVET Authority, Mr. Oanda served as Senior Assistant Director of Technical Education at Ministry of Education and Assistant Director of Industries at Ministry of Industrialization.</p>
	<p>Mr. Charles Majani (Independent Director-Chair Audit Committee) from 23rd June 2023</p> <p>Mr. Charles Majani holds a MSc. Electronics and a BTech. Electrical Engineering degree from Cape Peninsula University of Technology, South Africa); Higher Diploma in Electrical Engineering (Mombasa Polytechnic, the current Technical University of Mombasa), Diploma in Technical Teacher Training, KSTVET (formerly KTTC) and Diploma in Telecommunication Engineering from Kenya Institute of Mass Communication. He is the immediate former Director of TVET Institute at the Technical University of Mombasa. Mr. Majani serves as an Assistant Lecturer. He previously served as the Dean, Faculty of Engineering and Technology and Director Performance Contracting & Quality Management Systems at the Technical University of Mombasa.</p>
	<p>Mrs. Linda Ayuku (Independent Director) from 23rd June 2023</p> <p>Ms. Linda Ayuku is Principal of Rarieda Technical and Vocational College (TVC).</p> <p>Madam Ayuku holds</p> <p>A B.Ed. Technology Education degree from Moi University; Higher National Diploma in Electrical Engineering (Electronics option) and Diploma in Technical Education from KSTVET (formerly KTTC). She attained Diploma in Electrical Engineering from NYS Engineering Institute, Nairobi.</p> <p>Has an experience of over 28 years in the TVET sector having served in various capacities in TVET institutions?</p>

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD

Annual Report and Financial Statements

for the year ended June 30, 2024



Mr. Peter Kariuki (Independent Director)
from 23rd June 2023

Mr. Peter Kariuki has over 14 years' experience in the renewable energy sector with interests in Design, Installation and testing of drilling rig, water pumps and maintenance. He is a Senior Rig Maintenance Engineer at the Geothermal Development Company (GDC).

Mr. Kariuki holds a Bachelor of Industrial Technology (Egerton University) and a Diploma in Mechanical Engineering (Jomo Kenyatta University of Agriculture and Technology).

He is in the team that is working to develop innovative designs for drilling rigs.



Mrs. Alice Mutai (Registrar/Chief Executive Officer)

Madam Mutai holds a Master of Science degree in Engineering Systems and Management from Egerton University and a B.Ed (Technology Education) Mechanical Technology option from Moi University.


Madam Mutai completed her 'A' studies in 1980 at Moi Girls, Eldoret after 'O' levels in 1978 at Alliance Girls' High School. She proceeded to KSTVET (formerly Kenya Technical Teachers' College) where she attained her Diploma in Technical Education in March 1985.

She began her teaching career in May 1985 at the Rift Valley Institute of Science and Technology (Nakuru) and rose in ranks to the position of Deputy Principal in 2008.



She transferred her services from TSC to the Technical University of Kenya as Assistant Registrar in 2014 and to academics in 2016. Her appointment as Registrar/CEO of the Kenya Engineering Technology Registration Board was in October 2016 and her academic pursuit is undeterred.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

4. Key Management Team

Management	Details
 <p>Mrs. Alice J Mutai</p> <ul style="list-style-type: none"> • Masters of Science in Engineering Systems and Management • B.Ed Technology Education Mechanical Technology • Diploma in Technical Education 	<p>Registrar/ Chief Executive Officer/ Secretary to Board</p>
<p>Patrick K Ronoh</p> <ul style="list-style-type: none"> • MSc. Occupational Safety and Health • BEd. Technology Education 	<p>Research and Standard Officer</p>
<p>David Nyambuti Ndubi</p> <ul style="list-style-type: none"> • Post Graduate Diploma in Technical and Vocational Education (ongoing) • Bachelor of Science in Construction Management 	<p>Partnership professional development officer</p>
<p>Peter K Ngetich</p> <ul style="list-style-type: none"> • BTech. Civil Engineering (ongoing) • Higher Diploma in Civil Engineering • Diploma in Building & Civil Engineering 	<p>Registration and licensing officer</p>

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

 <p>Nelson Kande</p> <ul style="list-style-type: none"> • Masters in Business Management(Finance) • Bachelor of Arts (Economics) • CPA (K) • Diploma in Purchasing & Supplies Management 	<p>Supply Chain management officer</p>
 <p>Betty J Kipyegon Higher Diploma in Human Resource Management Diploma in Human Resource Management</p>	<p>Human resource Management officer</p>
<p>Francisca Murkomen</p> <ul style="list-style-type: none"> • Bachelor in Information Communication Technology 	<p>ICT officer</p>
<p>Hadija Wako</p> <ul style="list-style-type: none"> • Masters in Business Administration (Finance) – (ongoing) • Bachelor in Business Administration (Finance & Banking) • Certified Public Accountant of Kenya (ICPAK) 	<p>Finance Officer</p>

5. Chairman's Statement

The Board of Directors of KETRB once again demonstrates accountability through submission of the prepared FY2023/24. The Board embraced results-based management strategy which is aligned to the Engineering Technology Act, 2016.

The issuance of licenses to registered engineering technologists and technician remained a key activity. The wealth of knowledge generated through the Board's Day to day activities provides an appropriate entry point during engagement with our stakeholders. We celebrate our achievements in the reporting period against the backdrop of a very lean staffing levels and austerity measures because of depressed finances.

The Board is committed to aligning its activities with the Bottom-up Economic Transformation Agenda (BETA) and MTP IVAs and the Draft Strategic Plan 2023 - 2027.

Pursuant to section 5(c,e,f,h & n) of the Engineering Technology Act, 2016, the Board shall put in place compliance and enforcement initiatives and increase stakeholder engagement. It shall implement human resource instruments, and enhance resource mobilisation efforts through partnerships.

Finally, I do acknowledge and appreciate my colleagues in the Board, and the management team led by the Registrar for ensuring achievement of the performance targets.



Mr. Nicholas Temoet
CHAIRPERSON
KETRB BOARD OF DIRECTORS

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

6. Report of the Chief Executive Officer

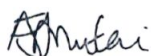
In the year ended 30th June 2024, I take this opportunity to appreciate the government for appointing Board of Directors for KETRB and receipt of the exchequer funding amounting to Kes.Fifty-four million.

In the FY 2023/24 the Board:

- i. In collaboration with the Ministry under the State Department was able to hold its first ever, Engineering Technology Conference with financial support from the World Bank.
- ii. Registered one thousand and sixty-one (1,061) engineering technologists and technicians
- iii. Licensed
- iv. On-boarded to e-Citizen the registration and licensing service its services and is in the process of on-boarding more services.
- v. Developed draft human resource instruments in accordance with PSC guidelines which were submitted to PSC for consideration and approval by the PSC.
- vi. Approved review of the fees for application, annual subscription and licenses
- vii. Together with the Institution of Engineering Technologist and Technicians of Kenya (IET-K) held four (4) capacity building workshops for engineering technology professionals.
- viii. Participated in the tree planting exercises and was able to plant Ninety-One thousand two hundred (91,200) tree seedlings; the Counties covered are Nakuru, Bomet, Bungoma, Nyeri, Siaya, Uasin Gishu, Nairobi and Elgeyo Marakwet
- ix. Build capacity for the Board of Directors and Management However, the Board's efforts were affected by a few challenges including increased cost of operations and delayed exchequer remittance and non-receipt of quarter four exchequer.
- x. Certified ninety-six (96) level three (3) to level six (6) curricula

We look forward to increasing the number of registered and licensed engineering technologists and technicians and ensuring that mounted engineering technology programmes are certified. The Board commits to align the SP 2024-2027 to the Bottom-up Economic Transformation Agenda (BETA) and MTP IV and expand its resource base by increasing resource mobilization strategies.

Lastly, I wish to thank the Board for their continued support and confirm my commitment to drive the Board to greater heights.



Mrs. Alice Mutai, P. Eng. Tech, MIET-K
REGISTRAR/ CHIEF EXECUTIVE OFFICER

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

7. Statement of Performance against Predetermined Objectives for FY 2023/2024-1

KETRB has 3 strategic pillars within the Performance Contract Strategic for the FY 2023/2024. These strategic pillars are as follows:

Strategic Pillar 1: Registration of engineering technologists and technicians

Strategic Pillar 2: Issuance of licenses to qualified engineering technologists and technicians

Strategic Pillar 3: Certification of engineering technology programs

KETRB developed its annual work plans based on the above 3 pillars and performance contract targets. Assessment of the Board's performance against its annual work plan is done on a quarterly basis and annually by the Public Service Performance Management Unit (PSPMU). KETRB achieved some its performance targets set for the FY 2023/24 period for its 3 strategic pillars, as indicated in the following table:

Performance Indicators	Achievement	
Strategic Pillar 1: Registration of engineering technologists and technicians		
Strategic Objective: To register engineering technology professionals and engineering technology firms		
Number of registered; <ul style="list-style-type: none"> - Engineering Technologist - Engineering Technicians - Engineering Technology Consulting Firms 	<ul style="list-style-type: none"> - Approval of received applications 	<ul style="list-style-type: none"> - 1,561 applications received and approved by Board
Strategic Pillar 2: Issuance of licenses		
Strategic Objective: To issue licenses to engineering technology professionals and engineering technology firms		
Number of licensed; <ul style="list-style-type: none"> - Engineering Technologists - Engineering Technicians 	<ul style="list-style-type: none"> - Issuance of licenses upon payment of annual subscription - Gazettement of licensed professionals 	<ul style="list-style-type: none"> - Gazettement of Engineering Technology professionals vide gazette notice No. 5806 dated 9th May 2024
Strategic Pillar 3: Certification of engineering technology programs		

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

<p>Number of engineering Technology curricula certified</p>	<ul style="list-style-type: none"> - Participation during development of engineering technology curricular in universities and tertiary institutions - Certification of curricula 	<ul style="list-style-type: none"> - 96 curricula certified
---	---	--

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

ii. Finance and General-Purpose Committee

Fred N Oanda	Chairperson	
Prof. George M Thumbi	Member	
Chimwaga Mongo	Member	
Samuel Muthondu	Member	

iii Audit Committee

Charles Chore Majani	Chairperson	
Samuel Muthondu	Member	
Linda Ayuku	Member	
Peter N Kariuki	Member	

The Board Committees, generally, review matters on behalf of the Board and refer matters to the Board for decision with a recommendation from the Committee. The Committee papers are circulated to the Board members

Board Remuneration

During every Board meeting, present Board members are entitled to a sitting allowance, lunch allowance (in lieu of lunch being provided), airtime allowance (for virtual meetings) accommodation allowance and transport allowance where applicable within government set limits for State Corporations. Members are also paid such taxable allowance as approved by the Cabinet Secretary for Education, State Corporations Advisory Committee (SCAC) and the Salaries and Remuneration Commission (SRC) when on official duty in and outside the country. In addition, the Chairman is paid a monthly honorarium.

During the period under review there was remuneration of the board incurred since there was no Board in place.

Board Evaluation and Performance

Every year, the Board undergoes a rigorous performance evaluation conducted by the State Corporations Advisory Committee to assess its effectiveness in discharging its mandate. The process entails a self-evaluation for each director, evaluation of the Chairman to the Board on the overall Board interactions and conduct of business meetings and evaluation of the Chief Executive Officer. The outcome of this evaluation is used to create remedial development and training programs for the Board.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

The Board evaluation was undertaken since there was absence of Board members during the period under review.

Succession Planning

The Board had developed a draft human resource instruments which provides a path for succession management for staff. However, the Board members were appointed at the same time hence no succession plan in place.

Conflict of Interest

At the start of all meetings of the Board meeting, the Directors are required to declare any conflict issues or any interest they may have in the business under discussion. The Director is obligated to exclude himself/herself from the quorum, and the vote in respect of any matters in which they have an interest. No material conflicts were reported by Directors in the year under review.

Ethics and Code of Conduct

KETR B recognises the important role ethical standards plays in organisational growth and development. Directors and employees are expected to act with honesty, integrity and fairness in all their dealings with one another and with stakeholders. The ongoing implementation of the Mwongozo Code of Governance for State Corporations is a significant step towards deepening corporate governance, professionalism, ethics and integrity in management of KETR B affairs.

Board Induction and Training

Upon appointment, individual Board members are taken through an induction process organized by the State Corporations Advisory Council (SCAC). Further the Board undergoes regular training and capacity building to effectively carry out their roles. During the Financial year there was no induction and training undertaken since there was no Board in place.

Governance Audit

A Governance Audit is an independent assessment of an organization with a view to expressing an opinion on the adequacy and effectiveness of the organization's policies, systems and practices within the legal and regulatory framework and in line with global best practices on corporate governance for the interest of the stakeholders. Governance Audit will be carried out in the financial year 2023/2024 and thereafter will be conducted bi-annually.

9. Management Discussion and Analysis

9.1 Introduction

This section gives the management's report on the operational and financial performance of the Board during the report period. It includes the Board's compliance with statutory requirements, major risks facing the organisation, material arrears in statutory and other financial obligations, review of the economy, review of the sector and future developments and any other information considered relevant to the users of the financial statements.

9.2 Management Report on Operational and Financial Performance.

The FY 2022/23 marked the first year the Board received the Exchequer. The Board is in the process of developing its five-year strategic plan (SP) 2023-2027.

9.3 Compliance with Statutory Requirements

In discharging its mandate, the Board complied with all the statutory requirements, regulations, and rules established by the government and other relevant regulatory bodies. This compliance is crucial to ensure that the Board and all its officers operate within the confines of the law and uphold ethical and legal standards. The Board is cognizant of the fact that non-compliance may lead to serious consequences, including legal actions, fines, penalties, loss of licences or permits, reputational damage, and even imprisonment in some cases.

During the year under review the Board timely prepared and submitted the annual budget, quarterly financial reports and statements to the State Department of Roads and the National Treasury.

9.4 Risk Management

The Board has an established risk management structure consisting of the Board Audit Committee.

10. Environmental and Sustainability Reporting

10.1 Introduction

The national goals of development, and the legislative and policy framework provide overarching guidance to the Board in delivering its mandate through implementation of strategies founded on the following core values: Integrity, Professionalism, Accountability, Public participation, Teamwork and Efficiency. Below is a brief highlight of the Board's achievements in the following four sustainability pillars: sustainability strategy and profile, environmental sustainability and employee welfare.

10.2 Sustainability strategy and profile

To ensure sustainability and optimal performance, the Board continues to strengthen its resource mobilization and utilization strategies by lobbying for increased exchequer funding, strengthening development partner engagement, strengthening engagement with government, industry and other stakeholders.

10.3 Environmental performance

The Board is alive to climate change initiatives as outlined in the BETA plan and HE the president's rally calling to the nation to grow 15 billion trees by 2032. Subsequently KETRB is keen to be part of this national green revolution and has initiated programmes to ensure environmental sustainability in liaison with TVET Institutions. In the FY 2023/2024 the Board planted trees in Turbo Technical and Vocational College in Uasin Gishu County.



Figure 1: Mrs. Alice Mutai, Registrar & CEO KETRB, Planting a tree at Turbo TVC. Looking on is Hon. MCA, Mr. Stedy Boniface, Principal Turbo TVC, Mr John K. Chumba Deputy Principal, Area Chief and The community.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

Internally we are operationalizing environmentally friendly processes through economical use of printing paper- print if you must approach and printing on both sides of paper documents, exchange of e-documents (soft copies), minimizing disposal of electronic waste, pooling of water dispensers and applying Just in Time philosophy for the replenishment of stores to minimise storage of large stocks. In addition, the Board continues to digitize its processes. In order to substantially reduce the use of paper- based processes in FY 2023/24 the board will automate processes by acquiring an ERP system.

10.4 Employee welfare

Currently the staff are deployed from the State Department for TVET, State Department for Roads and the Technical University of Kenya. The Board has draft of Human Resource Policy and Procedures Manual that guides on all aspects including hiring process in line with Public Service Commission HR policies. The draft manual is awaiting approval by PSC. The Board has endeavoured to continuously develop and improve staff skills and competences through training. KETRB has complied with the OSH Act of 2007 through incorporating the Act in the Draft Human Resource Manual which has a provision of a Safety and Health Committee which will oversee and ensure that the organization complies with all the health and safety measures required in the Act. A workplace occupational safety and health policy will be developed. Further, all staff will be on GPA/WIBA and Group Accident cover. KETRB is in the process of registering its workplace with the Directorate of Occupational Safety and Health.

10.5 Corporate Social Responsibility / Community Engagements

KETRB's engagement in corporate social responsibility (CSR) has been borne out of the realization that we must integrate social and environmental concerns into our operations in order to remain relevant to not only our employees, but also to our clients, community, partners and the society at large. In the FY 2023/24 the Board planted trees in Bungoma, Uasin Gishu, Nyeri, Elgeyo Marakwet, Siaya and Nairobi Counties.

11. Report of the Directors

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

i) Principal activities

The principal activities of the Board continue to be: -

- (a) issue licences to qualified persons under the provisions of the Act;
- (b) take disciplinary measures in accordance with the provisions of the Act;
- (c) enter and inspect sites where construction, installation, erection, alteration, renovation, maintenance, processing or manufacturing works are in progress for the purpose of verifying that—
 - (i) engineering professional services and works are undertaken by persons registered under the Act;
 - (ii) standards and professional ethics and relevant health and safety aspects are observed, in line with Occupational Safety and Health Act, (No. 15 of 2007);
- (d) assess, approve or reject engineering technology qualifications of foreign persons intending to offer engineering technology professional services or works in Kenya;
- (e) enter and inspect business premises for verification purposes or for monitoring works, services and goods rendered by professional engineering technologists;
- (f) recommend for the suspension of any engineering technology professional services, works, projects, installation process or and other engineering technology works, which are done without meeting the standards;
- (g) participate, as a stakeholder in formulating engineering technology programmes in public and private universities and other tertiary level educational institutions offering education in engineering technology for the purposes of registration of engineering technologists;
- (h) set standards for engineering technologists in management marketing, professional ethics, environmental issues, safety, legal matters or any other relevant field;
- (i) conduct professional examinations for the purposes of registration where applicable;
- (j) plan, arrange, co-ordinate and oversee professional training and facilitate internship of engineering technologists;
- (k) collaborate with engineering technology training institutions and organisations, professional associations and other relevant bodies in matters relating to training and professional development of engineering technologists;

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

- (l) determine the fees to be charged by engineering technologists and firms for professional services rendered from time to time; Engineering Technology No. 23 of 2016
- (m) hear and determine such disputes relating to the professional conduct or ethics of engineering technologists;
- (n) issue, maintain and enforce the code of ethics for engineering technologists and technicians and regulate the conduct and ethics of the engineering technology profession in general;
- (o) determine disciplines of engineering technology under the Act; and
- (p) do anything incidental or conducive to the performance of any of the preceding functions.

ii) Results

The results of the KETRB for the year ended June 30, 2024, are set out on page 1 to 5

iii) Directors

The members of the Board who served during the year are shown on page 8-10. The board members were appointed on 23rd June 2023 under Gazette Notice N. 8245.

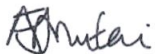
iv) Surplus remission

In accordance with Regulation 219 (2) of the Public Financial Management (National Government) Regulations, regulatory entities shall remit into Consolidated Fund, ninety per centum of its surplus funds reported in the audited financial statements after the end of each financial year.

v) Auditors

The Auditor-General is responsible for the statutory audit of the Kenya Engineering Technology Registration Board in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended June 30th 2024

By Order of the Board



ALICE J MUTAI
REGISTRAR/CEO

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

12. Statement of Directors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, require the Directors to prepare financial statements in respect of that Kenya Engineering Technology Registration Board (KETRB), which give a true and fair view of the state of affairs of the Kenya Engineering Technology Registration Board (KETRB) at the end of the financial year and the operating results of KETRB for that year. The Directors are also required to ensure that the Board keeps proper accounting records which disclose with reasonable accuracy the financial position of KETRB. The Directors are also responsible for safeguarding the assets of the Kenya Engineering Technology Registration Board.

The Directors are responsible for the preparation and presentation of KETRB's financial statements, which give a true and fair view of the state of affairs of KETRB for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the KETRB; (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 KETRB; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for KETRB's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgement and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the State Corporations Act. The Directors are of the opinion that the Kenya Engineering Technology Registration Board (KETRB) financial statements give a true and fair view of the state of KETRB's transactions during the financial year ended June 30, 2024, and of KETRB's financial position as at that date. The Directors further confirms the completeness of the accounting records maintained for the Board, which have been relied upon in the preparation of the Board's financial statements as well as the adequacy of the systems of internal financial control.

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

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

Approval of the financial statements

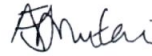
The Board's financial statements were approved by the Board on 20th September, 2024 and signed on its behalf by:



.....

Nicholas K. Temoet

Chairperson of the Board



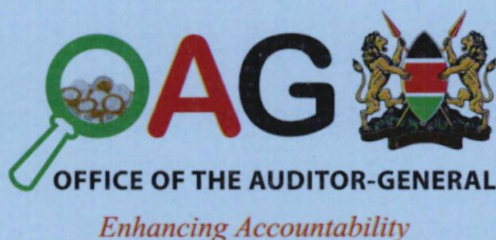
.....

Alice J. Mutai

REGISTRAR/CEO

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Kenya Engineering Technology Registration Board set out on pages 1 to 26, which comprise the statement of financial position as at 30 June, 2024 and the statement of performance, statement of changes in

Report of the Auditor-General on Kenya Engineering Technology Registration Board for the year ended 30 June, 2024

net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Kenya Engineering Technology Registration Board as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis/Accrual Basis) and comply with the Engineering Technology Act, 2016 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Emphasis of Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the issues were not resolved.

Other Information

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

In connection with my audit on the Board's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit

or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Circular on Board of Directors' Expenses

Section D of the Circular No. OP/CAB.9/1A on management of State Corporations provides that the Board of Directors expenses for the financial year should be capped at 5% of the budget. The statement of comparison of budget and actual amounts reflects a total budget expenditure of Kshs.60,000,000 which results in a maximum expenditure of Kshs.3,000,000. However, the statement of financial performance reflects actual Board of Directors' expenses of Kshs.6,055,527 resulting in unauthorized overspending of Kshs.3,055,527. This was contrary to the Section D of the Circular No. OP/CAB.9/1A.

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

2. Non-Compliance with Board Committees Composition Guidelines

Review of the composition on the number of Members in the Committees of the Board of Directors specifically the Audit Committee, Finance and General-Purpose Committee, and Technical Committee revealed that these Committees had Members more than one-third of the total Board Members. This was contrary to Circular No. OP/CAB.9/1A on Management of State Corporation Section B4 on the establishment of Board Committees which states that the number of any committee should not be more than one-third of the full Board to obviate the risk of the Committee conducting its business within the framework of full board structure. The Technical and Finance and General-Purpose Committees had excess members of one (1) each while the Audit Committee had an excess of two (2) Members.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

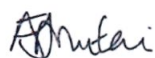
KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

14. Statement of Financial Performance for the year ended 30 June 2024

Description	Notes	FY 2023-2024 Kshs	F/Y Period to 2023 Kshs
Revenue from non-exchange transactions			
Transfers from other Governments entities	6	71,753,701	40,500,000
Revenue from exchange transactions			
Licenses, Fees and permits	7	14,035,350	36,219,479
Total revenue		85,789,051	76,719,479
Expenses			
Use of goods and services	8	55,170,275	45,585,018
Employee costs	9	762,000	608,200
Repairs & Maintenance	10	836,260	512,380
Board Expenses	11	6,055,527	-
Depreciation	12	8,100,913	2,158,636
Total expenses		70,924,975	48,864,234
Surplus		14,864,076	27,855,245

The notes set out on pages 20 to 24 form an integral part of these Financial Statements. For the Financial Year ended 30th June 2024.

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



.....
 Registrar/CEO

Alice J Mutai, P.Eng. Tech.

PET No. 00008

8th November, 2024

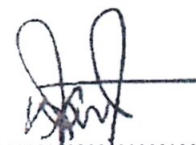


.....
 Finance Officer

CPA Wako Hadija

ICPAK No: 21963

8th November, 2024



.....
 Chairperson of the Board

Nicholas K Temoet

8th November, 2024

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

15 Statement of Financial Position as at 30 June 2024

	Notes	FY 2023-2024	F/Y Period to 2023
		Kshs	Kshs
ASSETS			
Current Assets			
Cash and cash equivalents	13	26,975,347	23,817,680
Receivables – Non-Exchange Transaction	6	17,753,701	-
Receivables – Exchange Transaction	7(a)	73,100	-
Total Current Assets		44,802,148	23,817,680
Non-Current Assets			
Property Plant and Equipment	14	24,903,380	14,411,014
Intangible Asset	15	44,266,000	
Total Non- Current Assets		69,169,380	14,411,014
TOTAL ASSETS		113,971,528	38,228,694
LIABILITIES			
Trade and Other Payables			-
TOTAL LIABILITIES			-
NET ASSETS		113,971,528	
Capital Funds	15	52,141,078	9,016,020
Accumulated Surplus	15	61,830,450	29,212,674
Total Net Assets and Liabilities		96,217,827	38,228,694

The Board's financial statements were approved by the Board on 20th September, 2024 and signed on its behalf by:



Alice J. Mutai
Registrar/CEO

PET No. 00008

8th November, 2024



CPA Wako Hadija
Finance Officer

ICPAK No. 21963

8th November, 2024



Nicholas K Temoet
Chairperson of the Board

8th November, 2024

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

16. Statement of Changes in Net Assets for the year ended 30 June 2024

	2022	2023	2024
As at 1st July 2022			
Surplus/(deficit) for the period	27,855,245	-	27,855,245
Fair Value of Donated Assets	-	10,373,450	10,373,450
As at 30 June 2023	27,855,245	10,373,450	38,228,695
Transfer of depreciation/amortization from capital fund to retained earnings	1,357,429	(1,357,429)	-
As at 30 June 2023	29,212,674	9,016,021	38,228,695
As at 1st July 2023	29,212,674	9,016,021	38,228,695
Surplus/(deficit) for the period	(2,889,625)	-	(2,889,625)
Fair Value of Donated Assets	-	60,878,758	60,878,758
As at 30 June 2024	(2,889,625)	25,628,779	22,739,154
Transfer of depreciation/amortization from capital fund to retained earnings			
As at 30 June 2024	26,323,048	69,894,779	96,217,827

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

17. Statement of Cash Flows for the year ended 30 June 2024

		FY 2023-2024	FY 2022-2023
		KShs	KShs
Cash flows from operating activities			
Receipts			
Transfers from other government entities	6	54,000,000	40,500,000
Licenses, Fees and permits	7	13,962,250	36,219,479
Total Receipts		67,962,250	76,719,479
Payments			
Use of goods and services	8	55,170,275	45,585,018
Employee costs	9	762,000	608,200
Repairs and maintenance	10	836,260	512,380
Board expenses	11	6,055,527	-
Total Payments		62,824,062	46,705,598
Net cash flows from operating activities		5,138,188	30,013,880
Cash flows from investing activities			
Purchase of Property Plant and Equipment&	15	(1,980,521)	(6,196,200)
Net cash flows from investing activities		(1,980,521)	(6,196,200)
Cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		3,157,667	23,817,680
Cash and cash equivalents at 1 July 2023		23,817,680	-
Cash and cash equivalents at 30 June 2024		26,975,347	23,817,680

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Report and Financial Statements
for the year ended June 30, 2024

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2024

	NOTES	Original budget Kshs	Adjustments Kshs	Final budget Kshs	Actual on comparable basis Kshs	Performance difference Kshs	% of utilization
		a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Revenue							
Transfers from Other Governments entities	8	54,000,000	-	54,000,000	71,753,701	0	132.88%
License, fees and Permits		6,000,000	-	6,000,000	14,035,350	(8,035,350)	234%
			-				
			-				
			-				
Total Income		60,000,000	-	60,000,000	85,789,051	(25,789,051)	142.98%
Expenses							
Use of Goods and Services	8	60,000,000	-	60,000,000	55,170,275		91.11%
Employee costs	9				762,000		
Repairs and Maintenance	10				836,260		
Board Expenses	11				6,055,527		
Depreciation	12				8,100,913		
Total Expenditure		60,000,000		60,000,000	70,924,975		108.40%

1. The Board received all its disbursement from the SDoR that's seen according to transfers from Other Government Entities
2. On the License, fees and Permits, The Board received Kshs.14,035,350 from of Application fees, Annual Subscriptions and 2023 ETC Conference and Backlog that's why the Board's overutilized in terms of anticipated revenue.
3. *The transfers from other Government entities include a value of 17,753,701 that relates to amount from World Bank.*

19. Notes to the Financial Statements

1. General Information

Kenya Engineering Technology Registration Board is established by and derives its authority and accountability from Engineering Technology Act No. 23 of 2016. The KETRB is wholly owned by the Government of Kenya and is domiciled in Kenya. The Board's principal activity is to provide regulation, practice and standards of engineering technologists and technicians and for the connected purpose.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Kenya Engineering Technology Registration Board. *The* financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2024:</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 KETRB's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an KETRB's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>The Board does not have financial instruments/investments thus this standard does not apply</i></p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2024</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting KETRB 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> <p>(a) The nature of such social benefits provided by the KETRB.</p> <p>(b) The key features of the operation of those social benefit schemes; and</p>

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Standard	Effective date and impact
	<p>(c) The impact of such social benefits provided on the KETRB's financial performance, financial position and cash flows.</p> <p><i>The Board does not offer any social benefit schemes; however, it engages in corporate social responsibility including implementation of presidential directives on tree planting which is embedded its annual activities</i></p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2024:</p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guaranteed contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <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>Applicable 1st January 2024</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> Amendments to refer to the latest System of National Accounts (SNA 2008). • <i>IPSAS 39: Employee Benefits.</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement. Standard no longer included in the 2023 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2024. <p><i>The above amendments have no impact on the financial statements</i></p>
	<p><i>New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.</i></p>
<p>IPSAS 43</p>	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and</p>

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Standard	Effective date and impact
	<p>lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an KETR B.</p> <p>The new standard requires entities to recognise, 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 1st 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>

ii. Early adoption of standards

The Board did not early – adopt any new or amended standards in the financial year

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Fees, taxes and fines

The KETRB recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Board and the fair value of the asset can be measured reliably.

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Board

b) Budget information

The original budget for the period under review was approved by the management committee. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Board upon receiving the respective approvals in order to conclude the final budget.

c) Taxes

The Board is non-commercial state corporation and is therefore not subject to the corporate tax regime. No corporate tax therefore provided in these accounts. However, the Board remit all other applicable taxes as and when they fall due which include;

- Value Added Tax

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Board 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.

Additionally, depreciation on assets during the financial year is calculated on reducing balance at the following rates:

Asset	Rate
Motor Vehicles	25%
Office Furniture and Equipment	12.5%
Computers and printers	33.3%

e) Leases

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Board. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Board also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Board will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

f) Research and development costs

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

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii) Its intention to complete and its ability to use or sell the asset.
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset.
- v) 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.

g) Financial instruments

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Board does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one KETRB and a financial liability or equity instrument of another KETRB. At initial recognition, the KETRB measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Trade and other receivables

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

Fair value through surplus or deficit

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

a) Financial liabilities

Classification

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

h) 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:

- i) Raw materials: purchase cost using the weighted average cost method.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

- ii) 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 the KETRB.

i) Provisions

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

j) Social Benefits

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

k) Contingent liabilities

The KETRB 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.

l) Contingent assets

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

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

m) Changes in accounting policies and estimates

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

n) Employee benefits

Retirement benefit plans

The Board provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an KETRB pays fixed contributions into a separate Board (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.

The board does not remit any statutory deductions since the board does not have its staff but under deployment from different Ministries.

o) 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.

p) Related parties

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

q) Cash and cash equivalents

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

r) Comparative figures

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

s) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2024.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Board'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. State all judgements, estimates and assumptions made:

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD

Annual Reports and Financial Statements

for the year ended June 30, 2024

Estimates and assumptions.

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

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the KETRB.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. 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.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Notes to the Financial Statements (Continued)

6. Transfers from Ministries, Departments and Agencies (MDAs)

The Board receives budgetary support from Government in form of recurrent grants through State Department of Roads. The board received all quarterly disbursement.

Transfers from Ministries, Departments and Agencies (MDAs)

	2023	2022	2021	2020	2019
State Department of Roads	54,000,000	-	-	54,000,000	40,500,000
Receipts from World	17,753,701	-	-	17,753,701	-
Total	71,753,701	-	-	71,753,701	40,500,000

7. Licenses, Fees and Permits

Application & subscription fees	14,035,350.00	36,219,479.00
Total	14,035,350.00	36,219,479.00

7(a) Licenses, Fees and Permits

Total Licences fees and permits	14,035,350	36,219,479
Less receivable from E-citizen	(73,100)	
Total	13,962,250	36,219,479

The Licenses, Fees and Permits include amount for application fees, Annual Subscriptions and Engineering Technology conference payments.

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Notes to the Financial Statements (Continued)

8. Use of Goods and Services

Subscriptions	101,652	61,500
Printing and advertising	941,319	963,770
Fuel and Oil	3,012,181	1,500,000
Hospitality services	150,000	521,553
Rent expenses	8,836,416	4,209,408
Communication, Supplies and Services	145,250	472,454
Training	-	981,018
Travel, Subsistence & Other Allowances*	22,173,346	16,670,711
ETC Conferences	16,654,681	1,759,920
Bank charges	58,354	18,770
General Office supplies	708,000	-
Internet services	682,080	-
Software subscription	235,000	-
Accessories for computers and printers	849,550	-
Cleaning Detergents	76,500	-
Motor Vehicle Insurance	545,946	-
Other General Expenses	-	1,731,497
Other payments (prior year expenses)	-	16,694,417
Total	55,170,275	45,585,018

On the use of goods on value of Ksh. 16,654,681 relates to 2023 ETC Conference expenses which was sponsored by World Bank. It will be Refunded by State Department of Roads.

9. Employee Costs

Casual wages	202,000	231,200
Other employee related costs	560,000	377,000
Total	762,000	608,200

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

On employee costs, includes casual wages used to pay a casual staff who does the cleaning around our office. Other employee related costs relate to allowances paid to CEO and other staff Finance Officer KETRb has not employed any staff all are in post not on payroll.

10. Repairs and Maintenance

Description	FY 2023-2024 Ksh	FY 2022-2023 Kshs
Motor Vehicles	766,175	162,380
Buildings	42,385	350,000
Furniture repair Expenses	27,700	
Total Repairs and Maintenance	836,260	512,380

11. Board Expenses

Description	2023-24	2022-23
Honoraria for Chair	816,000	-
Sitting All, Retreat, Workshops & capacity Building	5,239,527	-
Total	6,055,527	

12. Depreciation and Amortization Expense

Description	FY 2023-2024	FY 2022-2023
Motor Vehicles	5,278,614.5	643,100
Furniture and fittings	655,718	227,082
Computers and ICT Equipment's	2,138,995.20	1,283,141
Office Equipment's	27,585	5,313
Total depreciation and amortization	8,100,913	2,158,636

13. Cash and Cash Equivalents

Description	FY 2023-2024	FY 2022-2023
	Kshs	
Current Account	26,975,347	23,817,680
Total Cash and Cash Equivalents	26,975,347	23,817,680

13(a) Detailed Analysis of the Cash and Cash Equivalents

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Financial Institution	Account number	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	1204751641	26,975,347	23,817,680
Total		26,975,347	23,817,680

14. Property, Plant and Equipment at Cost

Cost					
As At 1 July 2022					
Additions-Exchequer	5,144,800	78,000	888,400	85,000	6,196,200
Additions- Donations	-	3,555,300	6,818,150		10,373,450
Disposals	-	-	-	-	
Transfers/Adjustments	-	-			
As at 30th June 2023	5,144,800	3,633,300	7,706,550	85,000	16,569,650
Depreciation					
As at 1st July 2022					
Period charged	643,100	227,082	1,283,141	5,313	2,158,636
Impairment	-	-			
Transfer/Adjustment	-			-	
As at 30th June 2023	643,100	227,082	1,283,141	5,313	2,158,636
Net Book Values					
As at 30 June 2023	4,501,700	3,406,218	6,423,409	79,687	14,411,014
As at 30th June 2023					-
Additions	16,612,758	1,839,526		140,995	18,593,279
As at June 2024	21,114,458	5,245,744	6,423,409	220,682	33,004,293
Depreciation					
As at 1st July 2023					
Period charged	5,278,614.50	655,718	2,138,995.20	27,585	8,100,913
Impairment	-				

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Transfer/Adjustment transfer to capital fund				-	
As at 30 th June 2024	5,278,615	655,718	2,138,995	27,585	8,100,913
Net Book Values	15,835,844	4,590,026	4,284,414	193,097	24,903,380

15. Intangible Assets

Cost		
As At 1 July 2023		
As at 30 th June 2023		-
Additions- donations	44,266,000	44,266,000
As at June 2024	44,266,000	44,266,000
Depreciation		
As at 1 st July 2023	-	
Impairment	-	
Transfer/Adjustment transfer to capital fund		-
As at 30 th June 2024	44,266,000	44,266,000
Net Book Values	44,266,000	44,266,000

On the Intangible Assets relates to procurement of ERP sponsored by World Bank

Annual depreciation rate in use is:

Motor vehicles	- 25%
Computers and Printers	- 33.3%
Office Furniture & Equipment	- 12.5%

16. Financial Risk Management

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

i) Liquidity risk management

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

ii) Market risk

The Board has put in place an internal audit function to assist it in assessing the risk faced by the KETRB on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Board's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The KETRB's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the KETRB's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Board has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Board manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

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

Management of interest rate risk

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

iii) Capital Risk Management

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

17. Related Party Disclosures

Nature of related party relationships

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

Government of Kenya

The Government of Kenya is the principal shareholder of the Board, holding 100% of the Board equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Board, both domestic and external.

Other related parties include:

- i) The Parent Ministry.
- ii) Key management.
- iii) Board of directors.

18. Events after the Reporting Period

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

19. Ultimate and Holding KETRB

The Board is a State Corporation under the Ministry of Roads and Transport, State Department of Roads. During the period under review, the Board was moved by Executive Order No. 1 of January 2023 from Ministry of Education, State Department of TVET to Ministry of Roads and Transport, State Department of Roads. Its ultimate parent is the Government of Kenya.

20. Currency

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

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD

Annual Reports and Financial Statements

for the year ended June 30, 2024

Appendix I: Transfers from Other Government Entities

State Department of Roads	28-Nov-23	Recurrent	13,500,000	13,500,000					13,500,000
	8-Feb-24	Recurrent	13,500,000	13,500,000					13,500,000
	29-Feb-24	Recurrent	13,500,000	13,500,000					13,500,000
	4-Jun-24	Recurrent	13,500,000	13,500,000					13,500,000
Total			54,000,000	54,000,000					54,000,000

KENYA ENGINEERING TECHNOLOGY REGISTRATION BOARD
Annual Reports and Financial Statements
for the year ended June 30, 2024

Appendix II- Inter-Entity Confirmation Letter

STATE DEPARTMENT OF ROADS

The State Department of Roads wishes to confirm the amounts disbursed to you as at 30th June 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Reference Number	Date Disbursed	Amounts Disbursed by State Department of Roads (Kshs) as at 30th June 2024				Amount Received by KETR B (KShs) as at 30 th June 2024 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
FT2333204NQQ	28-Nov-23	13,500,000	-		13,500,000	13,500,000	-
FT24039F0L7T	8-Feb-24	13,500,000	-		13,500,000	13,500,000	-
FT240600TGPS	29-Feb-24	13,500,000	-		13,500,000	13,500,000	-
FT24156ZBXR7	4-Jun-24	13,500,000			13,500,000	13,500,000	-
Total		54,000,000	-		54,000,000	54,000,000	-

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

Head of Accountants Department

Name: Hadija Wako

Signature: 

Date: 8th November, 2024