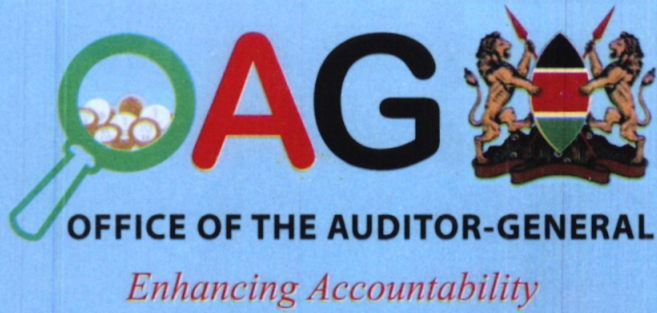


REPUBLIC OF KENYA



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 20 JUN 2025

DAY.

THURSDAY

**ON**

TAB  
BY:

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LEADER OF THE  
MAJORITY PARTY.

CLERK  
THE

TABLE:

WILLIS OBIEDU

**KARUMO TECHNICAL TRAINING  
INSTITUTE**

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



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*KARUMO TECHNICAL TRAINING INSTITUTE*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

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**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**Table of Contents**

1. Acronyms and Definition of Key Terms.....	ii
2. Key Entity Information and Management.....	iii
3. Chairman's Statement .....	x
4. Report of the Principal .....	xi
5. Statement of Performance against Predetermined Objectives .....	xii
6. Corporate Governance Statement.....	xv
7. Management Discussion and Analysis .....	xvi
8. Environmental and Sustainability Reporting Statement .....	xvi
9. Report of the Council/Board of Governors .....	xviii
10. Statement of Board of Governors/ Council's Responsibilities .....	xix
11. Report of the Independent Auditor ( <i>Karumo Technical Training Institute</i> ).....	xx
12. Statement of Financial Performance For The Year Ended 30 June 2024 .....	1
13. Statement of Financial Position As At 30th June 2024 .....	2
14. Statement of Changes in Net Asset For The Year Ended 30 June 2024.....	4
15. Statement of Cash Flows For The Year Ended 30 June 2024.....	5
16. Statement of Comparison of Budget & Actual For Year Ended 30 June 2024.....	6
17. Notes to the Financial Statements.....	7
18. Appendices.....	37

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

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

**B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

1. **Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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2. **Key Entity Information and Management**

(a) **Background information**

- i. Karumo Technical Training Institute (KTTI) is located in Athwana Location, Tigania West Sub-county in Meru County. It is approximately 3.5 kilometres off Meru-Maua road along kwa Amos Junction-Isiolo road at coordinates 0.21544, 37.751301. It occupies an area of approximately 25 acres. The area receives an annual rainfall of between 400 and 600 mm. The road transport infrastructure in the area is good; meaning that accessibility to this Institute has been made easy via available trunk roads.
- ii. KTTI was established in 2015 under certificate of registration number RC/0006/2014 in recognition of the fact that Technology is a part of everyday life.
- iii. KTTI is managed by a Board of Governors (BOG) under the direction of the Ministry of Education. It operates under the TVET Act (2013) of the Laws of Kenya as well as Constitution of Kenya 2010, KNEC Act, PSC Act, KASNEB ACT, Policy guidelines among others.

(b) **Principal Activities:**

**VISION**

An outstanding institute in Technical and Vocational Education & Training (TVET) and Innovation.

**MISSION STATEMENT:**

To provide holistic Technical and Vocational Education and Training (TVET) programmes for self-reliance, community development and global competence.

**THE CORE MANDATE:**

To teach and train in Technical and Vocational Education & Training; Research and Innovation and Community Service.

**Key Management**

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

- Board of Governors
- Accounting officer (Principal)
- Management

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	FLORA KANYUA
2.	D/Principal (Administration)	MATHEW NKARICHIA
3.	D/Principal ( Academics)	ALICE MUGAA
4.	Registrar	NAOMI NJERI
5.	Dean of students	LEAH OSERO
6.	Head of Finance	FAITH KATHURE
	Head of Internal Audit	PETERSON MBAKA
7.	Head of Procurement	DAVID GICHUNGE
8.	Guidance & counselling	ERIC MAWIRA
9.	Quality Assurance	JOYCE MBAYA
10.	Industrial Liaison Officer	BONFACE GITAU

**(e) Fiduciary Oversight Arrangements**

We have a finance, infrastructure and strategy committee which is in charge of finances, developments and human resource. They approve budgets, and all financial reports and procurement plan annually and quarterly before submission to the relevant offices like, Controller of Budget, Commissioner for Revenue Allocation, National treasury, Ministry of Education and OAG.

Education, Research and Training committee is in charge of overseeing the implementation of our core mandate. Performance reports are presented to this committee quarterly and annually.

Audit and Risk Management committee is in charge of ensuring that there are minimal or no material risks at all. The internal auditor presents all the audit findings quarterly, and annually.

**(f) Entity Headquarters**

P.O. BOX 276-60602  
 KIANJAI  
 MERU MAUA ROAD ALONG KWA AMOS JUNCTION  
 MERU, KENYA

**(g) Entity Contacts**

Telephone: (254) 705636443  
 E-mail: karumotti@gmail.com  
 Website: www.karumotti.ac.ke

**(h) Entity Bankers**

1. Equity bank Kenya limited  
 Meru - Makutano branch  
 p.o.box 75104  
 Meru, Kenya
2. Kenya Commercial Bank  
 Meru- Makutano branch  
 p.o.box  
 meru,Kenya

Karuru Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

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3. National bank Kenya limited  
Kianjai branch  
p.o.box 261-60602  
kianjai Kenya

(i) **Independent Auditors**






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

(j) **Principal Legal Adviser**

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

**Karumo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024**

**THE BOG/BOARD OF GOVERNORS**

 <p>Major (Rtd) Andrew Nkiiri- BoG Chair</p>	<p>A retired Kenya air force Major. He is a qualified air craft engineer but currently self-employed in the fields of clearing and forwarding (Cargo handling services) Date of birth 20/02/1951</p>
 <p>Dr. Isaac Kaberia- BoG Member</p>	<p>PhD holder (University faculty member) Currently the chairman of the Education, Research and Training committee of the BOG Lecturer at Embu University  Date of Birth 02//01/1980</p>
 <p>Dr. Joy Nyawira Riungu- BoG Member</p>	<p>PhD holder. Sanitation and Environmental Engineering (Specialization; Sanitation Engineering)  Date Of Birth 03/12/1974</p>
 <p>Mr. Bethel Maithya Muthangya- BoG Member</p>	<p>Holds Bachelor Degree IT, Software Engineering  Date of Birth 27/07/1986</p>
 <p>Ms Flora Kanyua- BoG Secretary</p>	<p>Holds an MBA (Strategic Management Option) Principal of the institute/Secretary to the BOG  Date of Birth 23/03/1973</p>

Technical Training Institute  
 Annual Report and Financial Statements for the year ended 30th June 2024



Ms. Ann Chigat- BoG Member

CPA (K) internal auditor with KTDA and chairperson of the Audit and Risk management committee of the BOG.  
 Accountant  
 Date of Birth 1978



Mr. Wan Ndirangu- BOG Member

Consultant civil Engineer  
 Master's degree in water engineering  
 Date of birth 20/09/1973



Mrs. Rose Jumbo BOG Member

Graduate in Quantity Survey  
 Quantity Surveyor  
 Date of birth: 17/3/1989



Mr. Joseph M. Rufus – Governor Rep

Master's Degree in Leadership and Policy Education

Date of birth 1967








Mr. Frankline J. Kuna- Ps Representative

Deputy Director ,Technical Education  
 Master's Degree ((Arts) BED






Date of birth 15/06/1971

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**MANAGEMENT TEAM**

 <p>Ms. Flora Kanyua</p>	<p>Principal of the institute/Secretary to the BOG Holds an MBA (Strategic Management Option)</p>
 <p>Mr. Mathews Nkarichia</p>	<p>Deputy Principal (Administration)          Holds a Diploma (Building and Civil Engineering)</p>
 <p>Mrs. Alice Mugaa</p>	<p>Deputy Principal (Academics)          MED (Guidance &amp; Counselling)</p>
 <p>Ms. Naomi Njeri</p>	<p>Registrar          Holds Bachelor of Education (Technology Education-Computer Technology)</p>
 <p>Ms Leah Osero</p>	<p>Dean of Students          Higher National Diploma in building and civil engineering</p>

Technical Training Institute  
 Annual Report and Financial Statements for the year ended 30th June 2024

	<p>Finance Officer                  Bachelor in Business Admin, CPA(K)                  Member of ICPAK</p>
	<p>Procurement Officer                  Bachelor in Supply Chain Management</p>
	<p>Guidance &amp; Counselling                  BSC ELECTRICAL AND ELECTRONICS                  ENGINEERING</p>
	<p>Quality Assurance Officer Master in Economics</p>
	<p>Industrial Liaison Officer                  Bachelor of Education ( Technology Education –                  Building and Construction Technology)</p>

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**3. Chairman's Statement**

Karumo TTI is a fully fledged Institution registered under the ministry of education under the TVET Act, 2013 to offer Technical and Vocational Education and Training courses. It opened its doors for training in September 2015. Karumo TTI was primarily constructed as a centre of excellence in Building and civil engineering but over time and due to the increasing demand for technical training in Kenya, we have found ourselves expanding our scope to offer other supporting high demand courses in electrical engineering, ICT, business courses, institutional management and Cosmetology. The BOG which was in operation during the first half of the financial period expired and a new BOG was appointed and inaugurated in May 2022. The current Principal/Secretary to the BOG was also deployed to Karumo TTI beginning of December 2022. As the chairman of BOG, I am committed to ensuring prudent use of the available resources (both financial and non-financial resources) of the institute. We have also endeavoured to attract and retain competent staff to offer services in an efficient manner.

To be able to offer proper oversight and policy guidance, the Board has chosen to work with three committees namely; Finance, Infrastructure and Strategy, Education, Research and Training and Audit and risk management committees.

As the chairman, I fully own this annual report and financial statements for FY 2023/2024 and its content.



.....  
**BOG Chairman**

**Major (Rtd) Andrew Nkiiri**

#### **4. Report of the Principal**

Karumo TTI is a government Public Institution offering TVET courses. Karumo Technical Training Institute (TTI) is located in Tigania west in Meru County. It is located in a hardship area and occupies approximately 24 acres of land. It opened its doors for training in September 2015 when it admitted the first trainees in building and civil engineering. It is managed by a Board of Governors (BOG) under the direction of the Ministry of Education and as per TVET Act, 2013. The Vision of Karumo TTI is 'An outstanding institute in Technical and Vocational Education & Training (TVET) and Innovation'. Our mission is to provide holistic Technical and Vocational Education and Training (TVET) programmes for self-reliance, community development and global competence. Currently, we have a student Population of 6,310 trainees, 128 (46 PSC, 82 BOG) trainers, 12 non-academic staff and 7 interns. TVET training has over time received a lot of attention by the government and therefore we hope to increase rapidly going forward due to the increased demand.

The preparation of Karumo TTI financial statements in conformity with IPSAS requires us 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. In respect, we have endeavored to implement proper and approved working budgets every financial year. During the FY2023/2024 we received total revenue of Ksh. 405,747,045.30 from the services we render including fees collected and capitation received during the year, production activities and Ksh. 1,069,025 from the farm sales. At the close of the FY, we had a grand total of cash and cash equivalent balance from KCB, Equity banks national bank and cash at hand of kshs, 46,058,023. However, our total uncollected balances stood at Ksh. 1,846,347. The debtors are primarily due to the un-disbursed capitation for the 4<sup>th</sup> quarter, and a deficit of kshs 17,000 per student for FY2023/2024 and the students who had joined in January 2024 had not benefited from HELB loans. The nys students also had not paid arrears.

Karumo TTI Board has however been very supportive in the implementation of the performance targets of the institute and has chosen to work with sub-committees for effectiveness and efficiency. This report has therefore been prepared as a true reflection of our achievements for the financial period.



Principal  
Flora Njura Kinyua



**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**5. Statement of Performance against Predetermined Objectives**

Section 81 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the Accounting officer to include in the financial statement, a statement of the national government entity's performance against predetermined objectives.

Karumo TTI has 7 strategic pillars and objectives within its Strategic Plan for the FY 2022- 2027.

These strategic pillars are as follows:

Pillar 1: Access and Equity

Pillar 2: Infrastructural resources

Pillar 3: Human Resource development

Pillar 4: Collaboration and linkages

Pillar 5: Technology

Pillar 6: Leadership and Governance

Pillar 7: Research and Development

Karumo TTI develops its annual work plans based on the above seven (7) pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The institute achieved its performance targets set for the FY 2023/2024 period for its 7 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Output
Pillar 1: ACCESS AND EQUITY	Increase student's enrolment	<ul style="list-style-type: none"> <li>High student enrolment</li> <li>Diversified student population</li> </ul>	<ul style="list-style-type: none"> <li>Place 4 advertisements in 3 different media per year</li> <li>Print 15,000 brochures per year and issue to students, staff and community</li> <li>Conduct marketing activities in neighbouring towns</li> </ul>	Electronic and Print Advertisements  Print outs of brochures  Increased enrollment
	Improve average Trainees' Performance	Increased enrolment	<ul style="list-style-type: none"> <li>Monitor class attendance by both trainers and trainees</li> <li>Plan and effectively implement calendar of events</li> </ul>	Audit Reports

Karume Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

Pillar 2: INFRASTRUCTURE AND HUMAN RESOURCES		Develop and upgrade physical infrastructure and acquire training equipment	Construct a tuition complex	Source fund ✓ Design the tuition complex ✓ Engage a contractor ✓ Equip	Equipped Tuition Block in place (Lecture chairs & Teachers desks)
			Banana and orchards farm	Establish a banana and orchards farm	Planted banana and orchards farm in place
			F&B Restaurant and Kitchen	Equip F&B restaurant and kitchen	Equipped and functional F&B restaurant and kitchen
			Borehole Solar System	Establish borehole solar system	Functional borehole solar system in place
Pillar 3: Human Resource development	Human	Attract and develop competent human resource	Adequate personnel for institutes operation	✓ Identify gaps ✓ Recruit and select	Done
Pillar 4: Collaborative linkages	and	Establish and strengthen existing collaborations and linkages both locally and internationally	✓ Collaboration with KUCCPS ✓ Collaboration with NYS ✓ Collaboration with financial institutions ✓ Collaboration with HELB Collaborate with institutions in the EASTRIP project	Attend and participate in research conferences locally and internationally	Done
Pillar 5: Technology Governance	1	Enhance ICT integration	Admission module Procurement module Examination module Library module	Deploy Management Information System ✓ Increase internet hotspots ✓ purchase a new network server computer ✓ activate and train all trainers on the examination module	Done

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

	Implement effective governance structures in service delivery	<ul style="list-style-type: none"> <li>✓ Developed and displayed service charter</li> <li>✓ Displayed departmental service charter</li> <li>✓ conduct a customer feedback survey</li> </ul>	Develop and implement a Customer service delivery charter Customer feedback survey to advice on improvement in service delivery	In place
Pillar 7: Research and Development	Promote innovation and creativity in the institute through R&D and innovation	<ul style="list-style-type: none"> <li>✓ agriculture farm</li> <li>✓ Water sources</li> <li>✓ irrigation system</li> <li>✓ Honey</li> <li>✓ Dragon fruits</li> </ul>	Farm activities: <ul style="list-style-type: none"> <li>✓ expand the farm</li> <li>✓ use suitable farming methods</li> <li>✓ research on and plant dragon fruits</li> </ul>	Done

All these objectives were achieved by including them as projects in the institute's performance contract for the FY 2023/2024 and in the work-plan Corporate Governance Statement

## **6 Corporate Governance Statement**

The mandate of TVET in Kenya is spelt out in the TVET Act.2013. Every TVET Institution is governed by a governing body in the form of a Council/BOG which is responsible for providing the required leadership in developing appropriate plans and strategies that will contribute to a sustainable execution of its mandate to satisfy the socioeconomic advancement of the nation and the region. Each Institution is headed by a Principal/Director, who acts as the secretary to the governing Council/BOG. The Council/BOG consists of the Chairperson and other members as may be spelt out in the existing Act. In Kenya, the TVET Act 2013 gives the composition of the Council/BOG as follows:

- (a) Chairperson;
- (b) Representative of the PS in the Ministry responsible for TVET
- (c) Representative of the Governor in the county
- (d) Six other persons appointed from the fields of;

- (i) Leadership and management;
- (ii) Financial management;
- (iii) Technology;
- (iv) Industry;
- (v) Engineering;
- (VI) Information Communication Technology/legal

The Council/BOG must be at least two thirds gender representation in the membership. The Council/BOG meets quarterly on average, with a three-year term renewable once and for memory, one or two members are re-appointed. The Council/BOG may have working sub-committees to like;

- i. Education, Research and Training,
- ii. Finance, Infrastructure and Human Resource,
- iii. Audit and Risk Management.

The sub-Committees can co-opt persons of special expertise during their deliberations. At the operational level, the Principal/Director is the team leader (CEO) assisted by the Deputy Principal(s)/Director(s) to ensure a smooth work/learning environment. For proper management and mentorship for sustainability, he/she appoints departmental heads, section heads and supervisors at each operational area. Together, the team ensures sustainable quality, access, relevance and equity in the programs and services offered to its customers and a back and forth smooth flow of feedback.

Each institution has clearly espoused its mandate in its statements of intention in the form of Vision, Mission and core values. There also exists a documented Strategic Plan (SP) with achievable strategic objectives with clear strategies and goals. The achievement of these objectives is monitored at the operational level through measurable documented quality objectives

## **7. Management Discussion and Analysis**

The BOG of the Institute has been very supportive to the management and has fully performed its oversight role in whole and through the BOG committees. The management team is also well constituted with the Principal being the team leader, two deputy principals (One in administration and one in Academics), the Registrar, dean of students, head of guidance and counselling and the industrial liaison officer. The Institute has a robust team of professional non-academic staff with a qualified finance officer, an accountant, procurement officer and an asset manager.

During the financial year, the management has endeavoured to satisfy both legal and regulatory requirement as espoused in its mandate under the TVET act 2013, the education act 2013, PFM Act 2012 and its regulations etc. Our operations were smooth and undisturbed for three quarter of the year though the fourth quarter was significantly affected by the emergence of Covid-19 which interrupted our major operations after a directive was issued for all trainers and trainees to go home and operate from their homes.

## **8. Environmental and Sustainability Reporting Statement**

### **i) Sustainability strategy and profile**

The institute has endeavoured to be in contact with the local community. For instance, the bee hive project was conceived with the local community at heart. Where Karumo TTI would construct hives for the community, train them on bee keeping and then buy the honey for value addition. It is meant to operate like a cooperative society to raise the economic status of the community who would in turn be able to pay fees for their children at the Institute.

Sustainability in personnel management has been ensured through transfer of skills and responsibilities through staff development, delegation, involving staff in decision making during management meetings and succession planning. As for projects, the major threat is that the institute is located within a hardship region where rainfall is sometimes inadequate. However, we have ensured we have adequate water supply throughout the year from a borehole and powered by a solar system to ensure water adequacy and reliability.

We have also signed MOUs with reputable organizations for the benefit of our trainees and trainers where they can carry out attachments and internships as trainees build lasting relationships and confidence with employers for future or immediate engagements. We ensure whenever some works are going on within the institute, a significant number of our trainees are engaged on casual basis to enhance their skills. participate in robotic contests, drama and trade fairs to ensure exposure of trainees to different environments as they build capacities for innovation and invention

**ii) Environmental performance**

We have endeavoured to go green by installing an operational solar powered bore hole water system. We have also ensured the institute has installed and marked litter bins for waste collection which is transferred to a well done compost pit. Karumo TTI is an alcohol and drug free institution with an operational guidance and counselling office and personnel. We have an environmental policy in place. Solid waste is well managed. We have a good sewer system and well-constructed and clean pit latrines. We have an environmental club that has spearheaded the growing trees within the institute compound and in other neglected areas within the nearing location.

**Employee welfare**

The staff we employ constitute with strict consideration of gender balance. Majority of the staff are from the local community and we have ensured that over 30% are from other communities to achieve the face of Kenya. We carry out annual appraisals and gap analysis to be able to ensure mitigation strategies. We have in our budget provision for staff development and our staffs benefit allocation from the vote head. We have fully complied with the Occupational Safety and Health Act of 2007. We give ten o'clock tea with a snack and four o'clock tea to all our staff for free.

**Market place practices-**

The institute is fully complied with the provisions of anticorruption. We have carried out trainings by the EACC staff. We have a good supplier relationship. We pay them on time and we ensure we do not entertain any regularities to minimize any complains

**Corporate Social Responsibility / Community Engagements**

The community supplies casual labour to the institute. Our institution is open for meetings and social welfare activities as we ensure security of the institute property and integrity. We have been involved in growing trees in the surrounding environment.

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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**9. Report of the Council/Board of Governors**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the *Karumo TTI* affairs.

**Principal activities**

The principle activities of the entity are:

- a. To conduct training at tertiary level in Technical and Vocational Education and Training fields.
- b. To determine curricula appropriate for training of the various manpower category and specialization required by the labour market through careful selection of available syllabi from local or international institutions recognized by the Ministry of Education (MoE).
- c. To foster linkages with industry and other institutions for the promotion of quality and relevant training.
- d. To promote and inculcate Entrepreneurial skills and culture within the institute's staff and students.
- e. To conduct Applied Research.
- f. To undertake income-generating activities through production, consultancy and tailor-made short courses, in-service courses, equipment and facility hiring and hospitality services to compliment Government grants and fees revenue.
- g. Foster spiritual growth among community members both staff and students.

**Results**

The results of the entity for the year ended 30<sup>th</sup> June 2024 are set out on page 1-49

**Council/Board of Governors**

The members of the Board who served during the year are shown on page vi, vii, viii. During the year 2021 the BOG expired in October and another board was appointed with effect from April 2022

**Auditors**

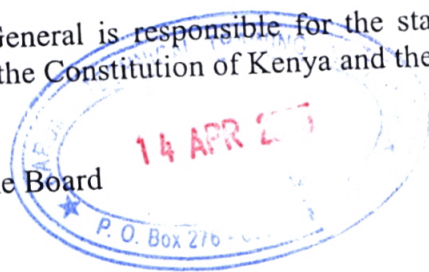
The Auditor General is responsible for the statutory audit of the *institute* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year/period ended June 30, 2024

By Order of the Board



.....  
**Secretary of the Board**

**Date:**



**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**D. Statement of Board of Governors/ Council's Responsibilities**

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

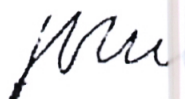
The BOG members are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the Institute, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The BOG members accept responsibility for the Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act). The BOG members are of the opinion that the entity's financial statements give a true and fair view of the state of the entity's transactions during the financial year ended June 30, 2023, and of the Institute's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the Institute, which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The Institute's financial statements were approved by the Board on 27/09/2024 and signed on its behalf by:

  
Name Major (TD) Andrew Nkiiri  
Chairperson of the Board

  
Name Flora Njura Kanyua  
Principal  


# REPUBLIC OF KENYA



*Enhancing Accountability*

HEADQUARTERS  
Anniversary Towers  
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NAIROBI

Telephone: +254-(20) 14000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke

## REPORT OF THE AUDITOR-GENERAL ON KARUMO TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2024

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### 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.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Karumo Technical Training Institute set out on pages 1 to 38, which comprise of the statement of financial position at

30 June, 2024, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Karumo Technical Training Institute as at 30 June, 2024, and of its financial performance for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Unsupported Student Debtors**

The statement of financial position and as disclosed in Note 15 to the financial statements reflects current portion of receivables from exchange transactions balance of Kshs.381,719,459. Included in this balance are student debtors of Kshs.381,386,269 being an increase by Kshs.80,256,783 or 26% from Kshs.301,129,486 reported in the previous year. The student debtors were not supported by ageing analysis. There was no policy on the impairment of long outstanding fee arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the student debtors balance of Kshs.381,386,269 could not be confirmed.

#### **2. Unsupported and Long Outstanding Refundable Deposits from Customers**

The statement of financial position and as disclosed in Note 19 to the financial statements reflects refundable deposits from students balance of Kshs.4,143,825. This balance is in respect to caution money that has not been refunded to students who have completed their studies. However, detailed analysis of the balance including the names of students, amount of caution money per student and date of completion of the course were not provided for audit verification. Further no evidence of surrender to Unclaimed Financial Assets Authority (UFAA) of any unclaimed caution money was provided for audit verification.

In the circumstances, the accuracy and completeness of the refundable deposits balance of Kshs.4,143,825 could not be confirmed.

#### **3. Incomplete Property Plant and Equipment Balance**

The statement of financial position reflects property plant and equipment balance of Kshs.260,816,337 which excludes the value of a parcel of land where the Institute has been constructed. The value was not disclosed in the summary of the fixed assets

registered. Further, Management did not provide the ownership documents for audit verification.

In the circumstances, the accuracy of the property plant and equipment balance of Kshs.20,816,337 could not be confirmed.

#### **4. Variance Between the Statement of Financial Position and the Statement of Cash Flows**

The statement of financial position reflects cash and cash equivalents balance of Kshs.40,058,023 while the statement of cash flows reflects cash and cash equivalents balance of Kshs.44,390,744. This leads to a variance of Kshs.1,667,279 which has not been explained or reconciled.

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

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

#### **Emphasis of Matter**

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

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.384,947,800 and Kshs.315,278,949 respectively resulting to underfunding of Kshs.69,668,851 or 18% of the final receipt budget. Similarly, the Institute spent Kshs.231,841,799 against actual receipts of Kshs.315,278,949 resulting in an under-utilization of Kshs.83,437,150 or 26% of the actual receipts.

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

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Audit Matters**

Review of the progress on follow up on prior year auditor's recommendations reveal that, several issues were raised under the Report on Financial Statements which remained unresolved contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require Accounting Officers designated for county government entities to try to resolve any issues resulting from an audit that remain outstanding.

### **Other Information**

#### **Conclusion**

Management is responsible for the Other Information set out on pages i to xix which comprise of Institute's information and Management, Chairman's Statement, Report of the Chief Principal, Statement of Performance against the Institute's Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Council of Governors and the statement of Council's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

Analysis of the staff bio-data and review of payroll records revealed that the Institute had one hundred and forty (140) staff on middle and senior management level, out of which seventy-five (75) or 54% were from the dominant ethnic group. This was contrary to

Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public offices shall seek to represent the diversity of the people of Kenya in employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community.

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

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

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

### Basis for Conclusion

#### 1. Failure to Tag fixed Assets

The statement of financial position and as disclosed in Note 17a to the financial statements reflects property plant and equipment balance of Kshs.260,816,337. Audit revealed that the assets were not tagged therefore it was not possible to identify or locate the assets contrary to Regulation 139(1)(a)(b) of the Public Finance Management (National Government) Regulations which states that the Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse movement and conditions of assets can be tracked.

In the circumstances, the controls on safeguarding the assets could not be confirmed.

#### 2. Lack of Staff Establishment

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects Kshs.44,364,095 in respect to employee costs. Audit revealed that the Institute did not have an approved staff establishment to guide while conducting recruitment. This is contrary to Section B.2(1)(2) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which requires every Ministry/State Department to prepare human resource plans to support the achievement of goals and objectives in their strategic plans.

In the circumstances, the controls on optimal staff level could not be confirmed.

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

### **Responsibilities of Management and the Board of Governors**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control 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 overall governance.

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

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

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

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

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


My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards 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 ~~J. Gathungu~~, CBS  
**AUDITOR-GENERAL**

Nairobi

05 May 2025

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**12. Statement of Financial Performance For The Year Ended 30 June 2024**

	Notes	Current 2023/2024 Kshs	Comparative 2022/2023 Kshs
<b>Revenue from Non-Exchange transactions</b>			
Transfers from other National Government entities	5	128,251,515	52,350,000
Public contributions and donations	6	-	47,000
		<b>128,251,515</b>	<b>52,397,000</b>
<b>Revenue from Exchange transactions</b>			
Rendering services- fees from students	7	246,428,392	282,971,487
Sale of goods	8	1,069,025	1,541,521
Miscellaneous income	8(b)	97,631	925,081
<b>Revenue from Exchange transactions</b>		<b>247,595,048</b>	<b>285,438,089</b>
<b>Total Revenue</b>		<b>375,846,563</b>	<b>337,835,089</b>
<b>Expenses</b>			
Use of goods and services	9	149,470,551	118,171,120
Employee costs	10	44,364,095	34,005,219
Board /Council Expenses	11	5,620,700	2,978,360
Depreciation and amortization expense	12	26,148,497	23,356,069
Repairs and maintenance	13	25,381,967	8,402,596
<b>Total Expenses</b>		<b>250,985,810</b>	<b>186,913,364</b>
<b>Net surplus/(deficit) for the year</b>		<b>124,860,753</b>	<b>150,921,725</b>

(The notes set out on pages 7 to 36 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 6 were signed by:

*[Signature]*  
 .....  
 Chairman of Council/Board

*[Signature]*  
 .....  
 Principal

*[Signature]*  
 .....  
 Finance Officer

Date 14/04/2025



ICPAK No 24784  
 Date 14/04/2025

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**13. Statement of Financial Position As At 30th June 2024**

Description	Notes	Current 2023/2024	Comparative 2022/2023
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	14	46,058,023	17,424,000
Current portion of receivables from exchange transactions	15	381,719,459	301,377,676
Receivables from non-exchange transactions	15(b)	9,999,425	00
Inventories	16	2,241,885	1,630,500
<b>Total Current Assets</b>		<b>440,018,792</b>	<b>320,432,176</b>
<b>Non-Current Assets</b>			
Property plant and equipment	17(a)	260,816,337	247,822,931
Intangible assets	17(b)	286,491	381,987
<b>Total Non-current Assets</b>		<b>261,102,828</b>	<b>248,204,918</b>
<b>Total Assets (A)</b>		<b>701,121,620</b>	<b>568,637,094</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	18(a)	2,875,493	3,547,720
Audit fees	18(b)	1,868,307	1,868,307
Refundable deposits from customers	19	4,143,825	4,097,825
Deferred income	20	8,268,125	18,125
<b>Total Current Liabilities</b>		<b>17,155,750</b>	<b>9,531,977</b>
<b>Total Liabilities (B)</b>		<b>17,155,750</b>	<b>9,531,977</b>
<b>Net Assets (A-B)</b>		<b>683,965,870</b>	<b>559,105,117</b>
<b>Represented By:</b>			
Revaluation Reserves		170,264,351	170,264,351

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Description	Notes	Current 2023/2024	Comparative 2022/2023
		Kshs	Kshs
Reserves		25,631,072	25,631,072
Accumulated Surplus		488,070,447	363,209,694
Capital Fund		683,965,870	559,105,117
Net Assets and Liabilities		701,121,620	568,637,094

The Financial Statements set out on pages 1 to 6 were signed by:

*[Signature]*  
 .....  
 Chairman of Council/Board

*[Signature]*  
 .....  
 Principal

*[Signature]*  
 .....  
 Finance Officer

Date 14/04/2025



ICPAK No 24784  
 Date 14/04/2025

14. Statement of Changes in Net Asset For The Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	
<b>At July 1, 202022 (previous year)</b>	170,264,351	212,237,969	25,631,072	408,133,392
Revaluation gain	-	-	-	
Surplus/(deficit) for the year	-	150,921,725	-	150,921,725
Capital grants received during the year	-	-		
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
<b>At June 30, 202023</b>	170,264,351	363,209,694	25,631,072	559,105,117
<b>At July 1, 2023 (current year)</b>	170,264,351	363,209,694	25,631,072	559,105,117
Revaluation gain	-	-	-	
Surplus/(deficit) for the year	-	124,860,753	-	124,860,753
Capital grants received during the year	-			
Transfer of depreciation/amortisation from capital fund to Retained earnings	-			-
<b>At June 30, 2024</b>	170,264,351	488,070,447	25,631,072	683,965,870

**Karum Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**15. Statement of Cash Flows For The Year Ended 30 June 2024**

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
Receipts			
Transfers from other National Government entities		118,252,090	52,350,000
Transfers from other levels of government		-	-
Public contributions and donations		-	47,000
Rendering of services- fees from students		178,436,203	149,364,128
Sale of goods		1,069,025	1,541,521
Miscellaneous income		97,631	925,081
<b>Total Receipts</b>		<b>297,854,949</b>	<b>204,227,730</b>
Payments			
Use of goods and services		156,475,037	123,440,861
Employee costs		44,364,095	34,005,219
Board /Council Expenses		5,620,700	2,978,360
Repairs and maintenance		25,381,967	8,402,595
<b>Total Payments</b>		<b>231,841,799</b>	<b>168,827,035</b>
<b>Net Cash Flows from operating activities</b>		<b>66,013,150</b>	<b>35,400,695</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		(39,046,406)	(52,013,589)
<b>Net cash flows used in investing activities</b>		<b>26,966,744</b>	<b>(16,612,894)</b>
<b>Net Increase (decrease) in Cash and Cash equivalents</b>		<b>26,966,744</b>	<b>(16,612,894)</b>
Cash and Cash equivalents at 1 JULY	15	17,424,000	34,036,894
<b>Cash and Cash equivalents at 30 JUNE</b>	15	<b>44,390,744</b>	<b>17,424,000</b>

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

Karumo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

16. Statement of Comparison of Budget & Actual For Year Ended 30 June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparison basis	Performance Difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue				17,424,000		
Bal b/f				118,252,090	34,897,910	77.21%
Transfers from other National Government entities	153,150,000	-	153,150,000	178,436,203	51,561,597	77.58%
Rendering of services- fees from students	229,997,800	-	229,997,800	1,069,025	730,975	59.39%
Sale of goods	1,800,000	-	1,800,000	97,631	(97,631)	-100%
Miscellaneous Income	-	-	-	315,278,949	69,668,851	81.90%
<b>Total Income</b>	<b>384,947,800</b>	<b>-</b>	<b>384,947,800</b>			
<b>Expenses</b>				156,475,037	32,808,263	82.66%
Use of goods and services	189,283,300	-	189,283,300	44,364,095	1,000,405	97.79%
Employee costs	45,364,500	-	45,364,500	5,620,700	4,379,300	56.27%
Board /Council Expenses	10,000,000	-	10,000,000	25,381,967	1,618,033	94.00%
Repairs and maintenance	27,000,000	-	27,000,000	231,841,799	39,806,001	85.34%
<b>Total Expenditure</b>	<b>271,647,800</b>	<b>-</b>	<b>271,647,800</b>			
				83,437,150	29,862,850	73.64%
<b>Surplus For the Period</b>	<b>113,300,000</b>	<b>-</b>	<b>113,300,000</b>	<b>39,046,406</b>	<b>74,253,594</b>	<b>34.46%</b>
Capital Expenditure	113,300,000	-	113,300,000	44,390,744		

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17. Notes to the Financial Statements

1. General Information

Karumo TTI is established by and derives its authority and accountability from TVETA Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to train.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *entity*. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, *(include any other applicable legislation)*, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied all the years presented.

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**3. Adoption of New and Revised Standards**

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

There are no new standards in the year ended 30th June 2024

*ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.*

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

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

	<p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.  <i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i>  This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.  <i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i>  The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.  <i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i>  The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.  <i>State the expected impact of the standard to the Entity if relevant</i></p>

**iii. Early Adoption of standards**

Karumo TTI did not early adopt any new or amended standards in year 2023/2024

- a) Revenue recognition
- i) Revenue from non-exchange transactions

**Transfers from other government entities**

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

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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ii) Revenue from exchange transactions

**Rendering of services**

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

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

b) Budget Information

The original budget for FY 2023/2024 was approved by the Board. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals to conclude the final budget. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis include in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 6 under section 16 of these financial statements.

c) Taxes

*Current income tax*

The entity is exempt from paying taxes as per schedule

*Sales tax/ Value Added Tax*

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

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

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

**d) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an estimated-year period or investment property is measured at fair value with gains and losses recognised through surplus or deficit.(entity to amend appropriately).* Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**e) Property, plant and equipment**

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

**f) Leases**

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

**g) Intangible assets**

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

**h) Research and development costs**

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

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

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

**i) Financial instruments**

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

**Financial assets**

**Classification**

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

#### Fair value through surplus or deficit

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

#### Trade and other receivables

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

#### Impairment

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

#### Financial liabilities

##### Classification

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

#### j) Inventories

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

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

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

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

#### Inventories (Continued)

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

#### k) Provisions

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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

***Contingent liabilities***

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

***Contingent assets***

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

**l) Social Benefits**

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

**m) Nature and purpose of reserves**

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

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

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

**o) Employee benefits**

**Retirement benefit plans**

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

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation. *(the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)*

**p) 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.

**q) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**r) Related parties**

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

**s) Service concession arrangements**

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

**t) 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

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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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.

**u) Comparative figures**

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

**v) 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.

#### 4. Significant Judgments and Sources of Estimation Uncertainty

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

##### Estimates and assumptions.

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

##### Useful lives and residual values

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

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

##### Provisions

There were no provisions raised.

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.

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**5. Transfers from other National Government entities**

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Unconditional Grants</b>		
Capitation Grants	56,413,500	52,350,000
Recurrent Grants	29,999,425	
scholarship	41,838,590	
<b>Total unconditional Grants</b>	<b>128,251,515</b>	<b>52,350,000</b>
Conditional Grants amortised/ recognised in revenue		
<b>Total Government Grants and Subsidies</b>	<b>128,251,515</b>	<b>52,350,000</b>

**(a) Transfers from other Government entities (Categorized)**

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	128,251,515	8,250,000	-	136,501,515	52,350,000
<b>Total</b>	<b>128,251,515</b>	<b>8,250,000</b>	<b>-</b>	<b>136,501,515</b>	<b>52,350,000</b>

*(Ensure that the amount recorded above as having been received from the Ministry fully reconciles to the amount recorded by the sending Ministry. An acknowledgement note/receipt should be raised in favour of the sending Ministry.)*

*\*Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached.*

(b) Reconciliation of grants from donors and development partners (Deferred income)

Description	2024	2023
	Kshs	Kshs
Balance unpaid at beginning of year	18,125	19,190
Current year receipts	8,250,000	-
Conditions Met - Transferred to Revenue	-	1,065
<b>Conditions Yet To Be Met - Remain Liabilities</b>	<b>8,268,125</b>	<b>18,125</b>

(Provide brief explanation for this revenue)

6. Public Contributions and Donations

Description	2024	2023
	Kshs	Kshs
Other Donations (Graduation)	-	47,000
<b>Total Donations and Contributions</b>	<b>-</b>	<b>47,000</b>

(Provide brief explanation for this revenue)

7. Rendering of Services

Description	2024	2023
	Kshs	Kshs
Tuition Fees	56,537,055	30,480
Activity Fees	17,594,123	13,135,430
Examination Fees	29,943,410	36,109,340
Facilities And Materials (7b)	240,275,694	285,072,837
Registration Fees	330,200	1,153,400
Less scholarship received charged as non-exchange transaction	(41,838,590)	-
Less capitation received charged as non-exchange transaction	(56,413,500)	(52,530,000)
<b>Total Revenue from The Rendering of Services</b>	<b>246,428,392</b>	<b>282,971,487</b>

Note: This income is recognised when invoiced. However, capitation and scholarship fund is treated as a sponsor of the student like any other sponsor e.g. Cdf, helb loan, nys, etc. The directive of the ministry is to recognize capitation as non-exchange transaction. Therefore, we are subtracting the capitation and scholarship received from the total income invoiced so that we avoid double counting of income because we are required to show it as non-exchange transaction amounting to capitation ksh 56,413,500 and scholarship of ksh 41,838,590.30

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**(b) FACILITIES AND MATERIALS (OTHER TUITION RELATED)**

ITEM DESCRIPTION	2024	2023
	KShs	KShs
Accommodation	26,997,778	43,942,212
Application Fees	203,900	975,600
Attachment Fees	7982,435	9,394,446
Material fees	2,116,750	2,466,500
Computer Packages	162,250	65,120
Exam Fees & Stationery	4,308,600	5,241,600
Medical Fees	4,497,600	2,095,000
SES	76,846,095	125,456,520
Student Id	118,600	485,250
Student Weifare	4,228,680	5,004,360
EWC	18,855,494	14,999,841
Repairs And Maintenance	15,647,951	12,481,645
Local Transport And Travel	14,605,665	10,025,465
KUCCPS Registration	728,500	2,228,000
BOG Teachers levy	-	49,058
Personal Emoluments	62,975,396	50,162,220
<b>Total Facilities and Materials</b>	<b>240,275,694</b>	<b>285,072,837</b>

**8. Sale of Goods**

Description	2023/2024	2022/2023
	Kshs	Kshs
Hire of Bus	62,000	300,550
Hire of hall and ground facility	-	10,000
Sale of Farm Produce(production unit)	1,007,025	1,230,971
<b>Total Revenue from Sale of Goods</b>	<b>1,069,025</b>	<b>1,541,521</b>

*(Provide brief explanation for this revenue)*

**8(b) Miscellaneous Income**

Description	2023-2024	2022-2023
	Kshs	Kshs
Repayment of damaged items	97,631.00	42,571
Graduation fees	-	882,510
<b>Total other income</b>	<b>97,631.00</b>	<b>925,081</b>

**9. Use of Goods and Services**

Description	2023-2024	2022-2023
	KShs	KShs
Electricity	2,172,414	1,858,220
Subscriptions	658,360	382,468
Boarding Equipment and stores	22,671,840	26,850,010
School equipment and stores	40,941,238	20,957,709

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Student activities costs		
Publicity and advertising	3,630,100	3,997,665
Information security management system (ISMS)	6,104,451	3,734,874
Fuel and oil	2,191,480	400,000
Insurance(motor vehicle)	88,210	184,373
Staff Tea	216,972	253,134
Security costs	278,475	454,285
Performance Contract Expenses	1,404,000	1,080,000
Telephone and postage	576,600	1,093,050
Training expenses(human resource training)	513,875	360,170
Robotic / Automation Expenses	7,582,228	3,900,410
Student union expenses(welfare kiti)	172,375	85,000
Student IDS	2,668,900	1,949,800
Production unit expenses	253,750	466,550
Management information systems	952,510	741,747
Bank charges	-	3,024,000
Domestic Travel and subsistence	134,785	102,280
Internet services	9,388,904	6,576,538
Hospitality and refreshments	1,281,614	1,390,382
Other (examination costs)	2,579,620	1,481,110
Water and sanitation	31,716,120	27,870,811
Trainees on attachment costs	-	49,277
Professional fees	3,695,304	2,502,501
Medical drugs(school clinic)	-	40,000
CBET (Curriculum development and implementation)	1,604,772	531,695
Bus expense(motor vehicle expense)	924,500	168,200
Strategic plan and master plan	3,854,154	2,004,265
Graduation costs	1,213,000	-
<b>Total good and services</b>	<b>149,470,551</b>	<b>118,171,120</b>

**10. Employee Costs**

Description	2023/2024	2022/2023
	Kshs	Kshs
Salaries and wages	44,364,095	34,005,219
<b>Employee Cost</b>	<b>44,364,095</b>	<b>34,005,219</b>

**11. Board/Council Expenses**

Description	2023/2024	2022/2023
	Kshs	Kshs
Allowances	5,620,700	2,978,360
<b>Total</b>	<b>5,620,700</b>	<b>2,978,360</b>

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**12. Depreciation and Amortization expense**

Description	2023/2024	2022/2023
	Kshs	Kshs
Property, plant and equipment	26,053,000	23,228,739
Intangible assets	95,497	127,330
<b>Total depreciation and amortization</b>	<b>26,148,497</b>	<b>23,356,069</b>

**13. Repairs and Maintenance**

Description	2023/2024	2022/2023
	Kshs	Kshs
Office equipment	393,374	368,150
Building improvements	8,088,524	
Electricals	834,659	
Other repairs and improvements	16,065,410	8,034,445
<b>Total Repairs and Maintenance</b>	<b>25,381,967</b>	<b>8,402,595</b>

**14. Cash and Cash Equivalents**

Description	2023/2024	2022/2023
	Kshs	Kshs
Current Account	46,047,913.22	17,420,255
Others (Specify) cash at hand	10,110	3,745
<b>Total Cash and Cash Equivalents</b>	<b>46,058,023.22</b>	<b>17,424,000</b>

*(The amount should agree with the closing and opening balances as included in the statement of cash flows)*

**14 (b). Detailed Analysis of Cash and Cash equivalents**

Financial Institution	Account number	2023/2024	2022/2023
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial Bank	1209039443	18,125	18,125
National Bank	01025088277900	2,381,141.28	1,414,661.28
Equity Bank, etc.	01025088277900	43,648,646.94	15,987,469.16
<b>Sub- Total</b>		<b>46,047,913.22</b>	<b>17,420,255.44</b>
<b>b) Others(Specify)</b>			
Cash in Hand		10,110	3,745
<b>Sub- Total</b>		<b>10,110</b>	<b>3,745</b>
<b>Grand Total</b>		<b>46,058,023.22</b>	<b>17,424,000.44</b>

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Receivables from Exchange transactions

15. Current Receivables from Exchange transactions

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Current Receivables</b>		
Student Debts	381,386,269	301,129,486
Other Exchange Debtors	333,190	248,190
<b>Total Current Receivables</b>	<b>381,719,459</b>	<b>301,377,676</b>

15 (b) Current Receivables from non-exchange Exchange transactions

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Current Receivables</b>		
Recurrent income from ministry of education	9,999,425	00
<b>Total Current Receivables</b>	<b>9,999,425</b>	<b>00</b>

16. Inventories

Description	2023/2024	2022/2023
	Kshs	Kshs
Consumable stores	2,241,885	1,630,500
<b>Total Inventories at lower of Cost and Net Realizable Value</b>	<b>2,241,885</b>	<b>1,630,500</b>

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

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Karumo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

17 Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Other Assets (Tuition Block)	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 July 2022 ( <i>previous year</i> )	79,006,356	53,451,107	3,738,937	11,868,704	9,224,400	34,989,173	26,759,404	220,623,141
Additions	-	7,735,687	-	6,205,476	4,367,420	3,920,420.20	29,784,586	52,013,589
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	(6,118,679)	(934,737)	(2,259,212)	(3,397,955)	(4,863,699)	(5,654,399)	(24,813,799)
At 30 <sup>th</sup> June 2023 ( <i>previous FY</i> )	79,006,356	55,068,115	2,804,203	15,814,968	10,193,865	34,045,894	50,889,591	247,822,931
Additions	-	23,909,351	11,839,728	1,600,760	1,696,567	-	-	39,046,406
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
At 30 <sup>th</sup> June 2024 ( <i>current year</i> )	79,006,356	78,977,466	14,643,931	17,415,728	11,890,432	34,045,894	50,889,591	286,869,337
Depreciation And Impairment	-	-	-	-	-	-	-	-
At 1 July 2022 ( <i>previous year</i> )	-	(7,206,974)	(2,908,063)	(2,885,078)	(2,979,480)	(9,372,951)	(3,735,643)	(29,088,189)
Depreciation	-	(7,897,747)	(3,660,983)	(2,176,966)	(2,972,608)	(4,255,737)	(5,088,959)	(26,053,000)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
At 30 Jun 2023 ( <i>previous year</i> )	-	(13,313,025)	(3,842,797)	(4,692,496)	(6,448,320)	(13,263,940)	(9,390,042)	(50,950,620)
Depreciation	-	(7,886,380.7)	(3,660,982.75)	(1,786,748)	(3,025,771.75)	(5,088,959)	(3,501,860.39)	(24,950,702.69)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Cost	Land	Buildings	Motor Vehicles	Furniture and fixtures	Computers	Electrical appliances	Other Assets (Inventories, Stock)	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfer/Adjustment	-							
At 30 <sup>th</sup> Jun 2024 (current year)	-	(21,199,406)	(7,503,780)	(6,479,244)	(9,474,092)	(16,765,800)	(14,479,001)	(75,901,322.69)
<b>Net Book Values</b>								
At 30 <sup>th</sup> Jun 2023 (previous year)	79,006,356	54,954,456	2,804,203	16,266,720	10,406,520	35,018,603.88	50,889,591	249,346,491.93
At 30 <sup>th</sup> Jun 2024 (current year)	79,006,356	71,079,719	10,982,948	15,238,762	8,917,824	29,790,157	45,800,632	260,816,337

**Karimo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**Note to the Financial Statements (Continued)**  
**Property, Plant and Equipment at Cost**

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	79,006,356	00	79,006,356
Buildings	92,176,832	(21,097,113)	71,079,719
Motor vehicles including Motorcycles	18,486,728	(7,503,780)	10,982,948
Office equipment, Furniture, And Fittings	22,560,009	(7,321,247)	15,238,762
Computers and Related Equipment	18,551,407	(9,633,583)	8,917,824
Plant and Machinery	48,282,543	(18,492,386)	29,790,157
Other information block	60,589,633	(14,789,001)	45,800,632

**17 (b) Intangible Assets**

Description	2023/2024	2022/2023
	Kshs	Kshs
Cost		
At beginning of the year	381,987	509,316
Amortisation	(95,497)	(127,329)
NBV	286,491	381,987

**Karungu Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**18. Trade and Other Payables**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Trade payables	2,875,493		3,547,720	
<b>Total Trade and Other Payables</b>	<b>2,875,493</b>		<b>3,547,720</b>	
<b>Ageing analysis:</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	2,875,493	%	3,547,720	100%
1-2 years	00	%	00	00
2-3 years	00	%	00	00
Over 3 years	00	%	00	00
<b>Total (to tie to totals above)</b>	<b>2,875,493</b>	<b>%</b>	<b>00</b>	<b>00</b>

**18 (b) audit fees**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Trade payables	1,868,307		1,868,307	
<b>Total Trade and Other Payables</b>	<b>1,868,307</b>		<b>1,868,307</b>	

**19. Refundable Deposits from Customers/Students**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Caution money	4,143,825		4,097,825	
<b>Total Deposits</b>	<b>4,143,825</b>		<b>4,097,825</b>	

**20. Deferred Income**

Description	2023/2024		2022/2023	
	Kshs		Kshs	
National Government	8,268,125		18,125	
<b>Total Deferred Income</b>	<b>8,268,125</b>		<b>18,125</b>	

**Kimo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

The deferred income movement is as follows:

Description	National government	International funders/donors	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance brought forward	18,125			18,125
Additions during the year	8,250,000			8,250,000
Transfers to capital fund	(00)			(00)
Transfers to income statement	(00)			(00)
Other transfers	(00)			(00)
Balance carried forward	8,268,125			8,268,125

Included in the above columns as needed for the various sources of income deferred.

**21. Financial Risk Management**

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

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

**(i) Credit risk**

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

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

the company's management based on prior experience and their assessment of the current economic environment.

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2023 (previous year)</b>				
Receivables from exchange transactions	301,377,676			

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
Receivables from non-exchange transactions	00			
Bank balances	17,424,000.44			
<b>Total</b>	<b>318,801,676</b>			
<b>At 30 June 2024(current year)</b>				
Receivables from exchange transactions	381,386,269			
Receivables from non-exchange transactions	9,999,425			
Bank balances	46,058,023			
<b>Total</b>	<b>437,697,493</b>			

**Financial risk management (continued)**

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

The entity has significant concentration of credit risk on amounts due from long outstanding student debtors

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

**(ii) Liquidity risk management**

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

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

Karimo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2023 (previous year)</b>				
Trade payables	3,547,720	00	00	3,547,720
Deferred Income	00		18,125	18,125
<b>Total</b>	<b>3,547,720</b>		<b>18,125</b>	<b>3,547,720</b>
<b>At 30 June 2024 (current year)</b>				
Trade payables	2,875,493	00	00	2,875,493
Deferred Income	00	8,250,000	18,125	8,268,125
<b>Total</b>	<b>2,875,493</b>	<b>8,250,000</b>	<b>18,125</b>	<b>11,143,618</b>

(iii) **Market risk**

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

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

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

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

b) **Interest rate risk**

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

**Management of interest rate risk**

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

**Sensitivity analysis**

The entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

**iv) Capital Risk Management**

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

Description	2023/2024	2022/2023
	Kshs	Kshs
Revaluation Reserve	170,264,351	170,264,351
Retained Earnings	25,631,072	25,631,072
Capital Reserve	488,070,447	363,209,694
<b>Total Funds</b>	<b>683,965,870</b>	<b>559,105,117</b>
Less: Cash and Bank Balances	(46,058,023.22)	(17,424,000.44)
Net Debt/(Excess Cash and Cash Equivalents)	637,907,846.78	541,681,117
<b>Gearing</b>	93.27%	96.89%

**Karimo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**22. Related Party Balances**

**Nature of related party relationships**

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

**Government of Kenya**

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

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

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

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>Transactions with Related Parties</b>		
<b>a) Sales to related parties</b>		
Sales of electricity to govt agencies		
Rent income from govt. agencies		
Water charges to govt. agencies		
Others (specify)		
<b>Total</b>		
<b>B) Purchases from related parties</b>		
Purchase of electricity from kplc	2,172,414	1,858,220
Purchase of water from govt service providers		
Rent expenses paid to govt agencies		
Training and conference fees paid to govt. agencies		
Others (specify)		
<b>Total</b>	<b>2,172,414</b>	<b>1,858,220</b>
<b>b) Grants/Transfers from the Government</b>		
Grants from National Govt		
Grants from County Government		
Donations in Kind		
<b>Total</b>		
<b>c) Expenses incurred on behalf of related parties</b>		
Payment of Salaries and Wages for xx Employees		
Payment for Goods and Services for 2024		
<b>Total</b>		

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Description	2023/2024	2022/2023
	Kshs	Kshs
<b>d) Key Management Compensation</b>		
Directors' emoluments	5,620,700	2,978,360
Compensation to Key Management		
<b>Total</b>	<b>5,620,700</b>	<b>2,978,360</b>

**23. Segment Information**

*(Where an organisation operates in different geographical regions or in departments, IPSAS 13 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)*

**24. Capital Commitments**

Capital Commitments	2023/2024	2022/2023
	Kshs	Kshs
Authorised for principals car	00	9,000,000
Authorised and Contracted for	83,513,475	00
<b>Total</b>	<b>83,513,475</b>	<b>9,000,000</b>

*(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and on-going) This is construction of Tuition Block which was contracted for on 28<sup>th</sup> June 2024 to be implemented in the FY2024/2025*

**25. Events After The Reporting Period**

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

**26. Ultimate And Holding Entity**

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

**27. Currency**

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

Karumo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

18. Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

The following is the summary of financial statements and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Long outstanding Receivables from exchange transactions	Students debts accrued from un received capitation	Not resolved	June 2025
2.	Un supported expenditure on use of goods and services	This has been addressed	resolved	
3.	In accuracy in the statement of comparison of budget vs actuals	This has been addressed	resolved	
4.	Budgetary control	This is well noted and we ensure the same will be implemented in future	Not resolved	June 2025
5.	Un resolved prior year audit issues	This is well noted and will be addressed in the subsequent years	Not resolved	June 2025
6.	Noncompliance with public sector accounting standards	This has been addressed	resolved	
7.	Failure to maintain staff establishment	This has been addressed in the subsequent year	resolved	July 2024
8.	Noncompliance with staff ethnic diversity	This is well noted. Will be addressed in the subsequent recruitments	Not resolved	June 2026
9.	Un refunded caution	This will be addressed in the	Not Resolved	June 2025

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / No: Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
	money	subsequent year		
10.	Failure to tag fixed assets	Assets will be tagged in the financial year 2023/2024	resolved	
11.	Lack of internal audit function	We will employ an auditor in the financial year 2023/2024	Resolved	



Name  
**Flora Njuura Kanyua**  
 Principal  
 Karumo Technical Training Institute

Date



**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**Projects**

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

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

**Status of Projects completion**

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

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**Appendix III- Inter-Entity Confirmation Letter**


Name of transferring entity Ministry of Education.....

Name of beneficiary entity...Karumo Technical Training Institute.....

Confirmation of amounts received by [Insert Name of beneficiary Entity] as at 30/06/2024 (Current FY)								
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	CAPITATION ©	SCOLARSHIP(D)	Total RECCURENT (C)=(A+C+D)	TOTAL DEVELOPMENT(B)	Remarks
FT232715QGY9	05/10/2024			17,661,000		17,661,000		
FT2403123GX0	18/01/2024			18,084,500		18,084,500		
FT2403123GX0	02/02/2024			20,668,000		20,668,000		
FT24040VWWKL	19/02/2024				39,849,795.90	39,849,795.90		
FT24058GS1MV	27/02/2024				1,988,794.40	1,988,794.40		
FT24072CSFWN	12/03/2024		8,250,000				8,250,000	
FT240324GYRG	02/02/2024	20,000,000				20,000,000		
NBK241900DLMK JCO	10/07/2024	9,999,425				9,999,425		Diff. 575
<b>Total</b>		<b>29,999,425</b>	<b>8,250,000</b>	<b>56,413,500</b>	<b>41,838,590.30</b>	<b>128,251,515.3</b>	<b>8,250,000</b>	
I confirm that the amounts shown above are correct as of the date indicated. <b>Head of Accounts Department - Disbursing Entity:</b> Name ..... Sign ..... Date .....								

Karumo Technical Training Institute  
Annual Report and Financial Statements for the year ended 30th June 2024

			.....
			Accounts Department - Beneficiary Entity:
			Name CPA GITONGA FAITH KATHURE Sign .....
			Date...19/09/2024.....



**Karumo Technical Training Institute**  
**Annual Report and Financial Statements for the year ended 30th June 2024**

**Appendix IV: Reporting of Climate Relevant Expenditures**

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

Karumo Technical Training Institute  
 Annual Report and Financial Statements for the year ended 30th June 2024

Appendix V: Reporting on Disaster Management Expenditure

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