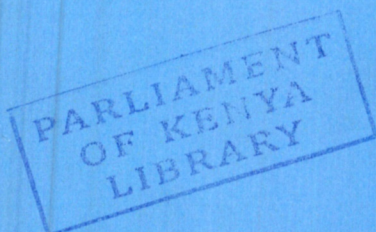


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

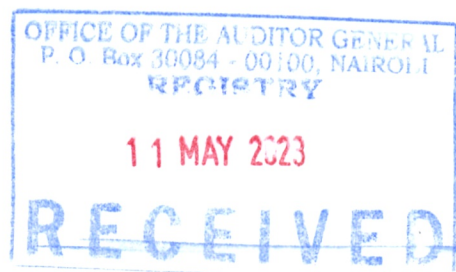
NATIONAL ASSEMBLY	
DATE: 01 AUG 2023	DAY: FIVE
TABLED OF	Hon Naomi Wago, MP Deputy Majority Whip
CLERK AT THE TABLE:	Inzofu Mwale

THE AUDITOR-GENERAL

ON

**PC KINYANJUI TECHNICAL TRAINING
INSTITUTE**

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



PC KINYANJUI TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2022

P C KINYANJUI TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022



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I Key Entity Information and Management

Background information

P C Kinyanjui Technical Training Institution was incorporated under the TVET Act of 2013 on 20th July, 2001. P C Kinyanjui TTI is domiciled in Kenya and does not have any subsidiary colleges. It is located in Nairobi West District, Dagoretti, Constituency, near Riruta Police Station. The institute is under the Ministry of Education. It has eight (8) academic and ten (10) non-academic departments as listed below:

Academic departments

1. Electrical and electronics
2. Building and Civil Engineering
3. Mechanical
4. Applied science
5. Hospitality
6. Information and Communication Technology
7. Business
8. Entrepreneurship

Non-Academic departments

1. Guidance & Counselling
2. Industrial Liaison Officer (ILO)
3. Marketing
4. Office of career Services (OCS)
5. Finance
6. Procurement
7. Library
8. Internal Audit
9. Human Resource
10. ICT Unit

(a) Principal Activities

Mission

To produce graduates who are knowledgeable, skilled and equipped with positive attitude that will enable them to cope with challenges of the fast changing world.

Vision

To be the centre of excellence in Technical, Industrial, Vocational and Entrepreneurship Training.

Core Values

1. Transparency
2. Professionalism
3. Integrity
4. Innovation, and
5. Accountability.

b) Quality Policy

P C Kinyanjui Technical Training Institute is committed to be a Centre of excellence in Technical, Industrial, Vocational, and Entrepreneurship training by offering high Quality Training, for innovation, employability and job creation in support of vision 2030. In pursuit of this commitment, the Institute shall comply with all applicable requirements and continually improve the established Quality Management System based on ISO 9001:2015 Standard. This Quality Policy and established functional Quality Objectives shall be reviewed annually for continuing suitability.

c) Key Management

P C Kinyanjui TTI day-to-day management is under the following key organs:

1. Board of Governors,
2. Accounting Officer/ Principal,
3. Management Team,
4. Trainers and
5. BOG Staff.

(d) Fiduciary Management

The key management personnel who held office during the financial period ended 30th June, 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Nancy Njui
2.	Deputy Principal-Admin	Ruth Matanda
3	Deputy Principal -Academics	Samuel Kiuna
4	Registrar	Simon Gitau
5	Dean of Students	Ruth Muia
6	Head of Finance	Alice Macharia
7	Procurement Officer	Joseph Mureithi
8	Human Resource Officer	Joy Aluoch

(e) Fiduciary Oversight Arrangements

• ***Audit and risk committee activities***

1. Review the quality and effectiveness of the external audit process.
2. Providing input and approving the written charter for the internal audit function, including periodic review and updating.
3. Understanding, discussing and approving the company's risk assessment and internal audit plan.

4. Reviewing on-going activities of the internal audit function, including its reports, and inquire as to any other matters that should be brought to the committee's attention.
5. Directing the internal audit function, as necessary, to perform special reviews on behalf of management or the audit committee, including investigations of fraud or suspected fraud.

- ***Finance and operations committee activities***

1. Maintaining accurate and complete financial records.
2. Preparing and presenting accurate, timely and meaningful financial statements to the board.
3. Helping the board understand the organization's finances.
4. Budgeting and anticipating financial problem.

- ***Development/Governance partner oversight activities***

1. Overseeing all aspects of the organization's functions on behalf of the board.
2. Making recommendations to the board on governance policies, practices and procedures related to nonprofit organizations.

- ***Discipline and Academic Committee Activities:***

1. Members of the committee give their suggestions and directions for the smooth running of the college in academic aspect.
2. Review the academic and other related activities of the institute.
3. Review the students and departmental development programs.
4. Visualize and formulate perspective plans for the development and growth of the institute.
5. Prepare and review Academic's Calendar and Class Routine for the institute.
6. Review and update the institute Prospectus.
7. Promote research and extension activities in the institute.
8. Plan for sustaining the quality of education, quality improvement and accreditation of the institute.
9. Keep vigilance on the attendance of trainers and regularity in taking the classes.
10. Review student's attendance/malpractices in examinations.
11. Oversee the internal examinations/evaluation/recording.
12. Take disciplinary action to the students for violation and disobedience to the institute rules.

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KEYP C Kinyanjui TTI INFORMATION AND MANAGEMENT (Continued)

(f) Headquarters

P.O. Box 21280-00505
Nairobi west District
Off Kabiria Rd-Riruta Satellite NAIROBI, KENYA

(g) Contacts

Telephone :(254) 721480199 Cell :(254)773829417
E-mail: info@kinyanjuitechnical.ac.ke
Website: www.kinyanjuitechnical.ac.ke

(h) Bankers

Co-operative Bank of Kenya
Kawangware
P.O. Box 46904
NAIROBI, KENYA

Equity Bank (Kenya) Limited,
Kawangware
P.O. Box 27076 NAIROBI,
KENYA

Kenya Commercial Bank,
Prestige Plaza,
P. O. Box 41294-00100,
NAIROBI, 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

II Board of Governors



Dr. Mary Claire Kidenda (Chair)
D.o.B 1961

Dr. Mary Kidenda is the current Chair BOG. She holds a Doctorate in Design and Visual Arts from Coventry University in the United Kingdom, a Certificate and Diploma Supplement from European Commission, Council of Europe and UNESCO-CPES. Mary Clare has Master of Arts in Design from the University of Nairobi, and Bachelor of Education (Fine Art) from Kenyatta University. She is the Academic Team Leader and a Senior Lecturer in the Department of Design and Creative Media, School of Creative Arts and Media Technology at The Technical University of Kenya. Mary Clare is a member the University Senate and an Academic Board Member. She has been the Assistant Dean, School of Creative Arts and Technologies, Faculty of Liberal and Professional Studies and Acting Dean, School of Creative and Applied Arts. She is committed and accredited design and arts academician who is vastly experienced in learning institution management and curriculum development and reform.

Mary Clare is a member of the Design Association of Kenya (DESK), Arts Council of the African Studies (ACASA), Associate member UNESCO, University Twinning and Networking (UNITWIN) and a member of Exploring Visual Cultures Panel of Experts. She is a member of Technical University of Kenya Augsburg University of Applied Science DAAD program; and a member of The College of Arms; Attorney General's office in the Republic of Kenya and serves in several committees at The Technical University of Kenya.

She has attended courses in: Basic Occupational Safety and Health, 3D Graphic Design and Multimedia. She has a Diploma in Advanced Graphic Arts, a certificate in Electronic Publishing, Leadership Skills Training covering Organizational and business Skill. Mary Clare is a Certified Community Health Worker. Mary Clare holds several responsibilities in her church and local community.



Dr. Gladys WekesaBunyasi
ACCA (Member)
D.o.B 1975

Dr. Gladys WekesaBunyasi is a member of the Board and Chair Finance Committee.

Dr. Bunyasi holds a **PhD** in Entrepreneurship from JKUAT; **MBA** -Finance from Kenyatta University, **Bed Arts** -Business Studies from the University of Nairobi. She is a certified member of Association of Chartered Certified Accountants (ACCA) where she is a full member. She has a Certificate in Ethics and Professional Skills module from ACCA and is a Member of the ACCA Global Education Forum where they publish articles in the ACCA magazines. She is a Senior Lecturer at KCA University lecturing at various levels of both graduate and undergraduate. She was previously Dean of Students (2003 to June 2007), Director School of Professional Programs (July 2007- 2015), Dean Regional Campuses & Professional Programs. (2015 – 2019), and now Championing KCA TC of KCA University.

She has participated in the development of curriculum at the University, developed learning modules and supervised students both at bachelors and graduate level. She has published several papers in refereed journals and participated in different research activities. She is a mentor to students and the youth. She is Member of University Senate, Dean's Committee, Faculty Board and other university committees. She is a Member of the United Society of Friends Women Kenya (USFW), where she serves as the (Treasurer at the head office level).



Francis GathuraBoro (Member)
D.o.B 1973

Francis is a member of the Board. He holds a B.Sc. in Mechanical Engineering Agriculture and Technology (Second Class Honours, Upper Division-JKUAT (1997), User Support Technology Professional Certificate (Institute of Advanced User Support Technology (Feb 2003), and awaits award for Agriculture and Technology MSc. Mechanical Engineering (African Development Bank Scholarship-JKUAT).

Work experience includes: Cad vision Mould -design and development of injection, blow Services moulds and soap dies using Solid works -NC codes generation using Mastercam -maintenance of injection and blow moulds - production planning and coordination -new moulds project management using Microsoft Project - Anilam controlled CNC milling programming(2004-todate);

Plas-kit Kenya -design of new injection and -blow moulds using AutoCAD and Mechanical Desktop maintenance of injection and blow moulds -production planning and coordination -new moulds project management using Microsoft Project -Anilam controlled CNC milling programming(2002 – 2004); Standard -design of new injection and blow moulds using Engineering AutoCAD Works -Anilam controlled CNC milling programming -AutoCAD training and user support 1998 – 1999 East African - design and making of castings drawings using Foundry Works AutoCAD -monitoring of patterns machining(1999 – 2002).



Milka Wanjiru K. Ngigi (Member)
D.o.B 1968

Milka is a Board Member and Academic Committee Member. She holds a first degree from Kenyatta University, SI Diploma in Education, Kagumo Teachers College, Higher Diploma in Psychology Counselling from Life Line College, Diploma in place based leadership Development (PBLD) University of Sunderland England, Trainer of Trainer in HIV and AIDS, Reproductive Health Education – APHIA II Rift Valley, Certificate for Global Women Leadership through GWLN New York, Certificate of ToT for Drug and Substance Abuse, stress management, Depression and Addition Counselling (NACADA)

She is also a Trainer in Entrepreneurship and Life skills – Project Boabob, Trainer of Sexual Gender Based Violence Prevention and Response, Women Human Rights, Reproductive Health, Economic Empowerment and Leadership Women Empowerment Link (WEL),

Trainer of Trainers in QA and QI Monitoring and Evaluation (LVCT), Trainer of Community Legal Facilitator – Women Empowerment Link (WEL)-GI, Trainer of Effective Kenyan Women Participation in Political Process – Coalition for peace in Africa (COPA), Trainer of Awareness on, and Management Counter Trafficking Initiatives International Organization Migration, Trainer of peace Building and Conflict Transformation – KnoradAdenaurStiftuang, Trainer in WASH – Global Water Women Initiative (2014), Trainer of Trainers in Conflict Resolution, Management and Reconciliation – Peace Net (2014), Trainer of Trainers in Human Counter Trafficking UNODC, 2015



Gerald GitauNjenga(Member)
D.o.B 1990

Gerald is a Board Member. He holds a MSc. in Aerospace Manufacturing and a BSc. in Aircraft Manufacturing Engineering from Shenyang Aerospace University, a Diploma in Aeronautical Engineering from Kenya Aeronautical College and a Diploma in Media Art and Animation from Shang Tao Media Art College. For over 6 years, he has worked in various emerging technology companies in China, in the fields of artificial intelligence, AR/VR, fintechs, tourism and automotive. Currently, he is involved in his techno-entrepreneur adventure running Rexmax Auto Technology, a car technology start-up and SevenfourtyfiveTechLtd in the area of technology in agriculture. He is a member of CAITEC, a one belt one road club in Beijing as well as European American chamber of commerce (EA Chamm). He strongly believes in the Chinese philosophy *jingyiqiujing* that means “no human is limited and there is always room to learn and improve”.



Lucia M.N. Mulwa(Member)
D.o.B 1965

Lucia is a board member and serves in the Finance Committee. She is a seasoned educationalist with over 30 years' experience in educational leadership and management. She holds a Master's Degree in Educational Administration from the University of Nairobi and a Bachelor of Education Degree from Kenyatta University. In addition, Lucia has undertaken several short courses to keep abreast with the emerging strategies in Financial and Human Resources Management. She has held senior positions in Education Sector: she served as a secondary school Principal, a Staffing Officer, Human Resource and Development Officer, Deputy Director in charge of teacher discipline as well as a Deputy Director in charge of Administration at the Teachers' Service Commission Headquarters. Her knowledge, skills and experience was later tapped by the Nairobi City County Government, where she successfully served as a County Chief Officer before her promotion to the position of a County Executive Committee Member (CECM), a position she holds to date.



Daniel Muthama Kinyanjui (Member)
D.o.B 1958

Daniel is a Board member representing Kinyanjui Gathirimu Community and a finance committee member. He holds a Bachelor of Education (Arts) Linguistics and M.A in, Gender and Development from the University of Nairobi. He is a retired head teacher, currently a businessman.

He attended a course at Strathmore University College on Financial Management and Procurement for six months in the years 2014 – 2015. He has been in Church Management for Development of St. Charles Lasanga Catholic Church Waithaka. He is involved in Education of the Youth in Nairobi Diocese of Catholic Church. He is a committee member of the “Nyumba Kumi” at the Local Community.



Phyllis Ngaruiya
D.o.B 1977

Phyllis Njaari is a member of the Board and chair of the Board Audit Committee.

She is an Advocate of the High Court of Kenya and an expert in contract law, corporate / commercial law, property development law, real estate law, and litigation management. She also has immense experience in conveyancing, leasing and real estate property management for residential, commercial and mixed-use development properties.

The LLB graduate of Punjab University is also highly conversant with legal research and documentation, and has an in-depth knowledge of the Kenyan judicial systems – including court registry, land registry and civil registry procedures.

Phyllis also holds a degree in Applied Psychology from Kinnaird College, Pakistan; and currently serves as the Managing Partner at NjaariNgaruiya & Co. Advocates, as well as the Property Manager and Legal Advisor at Pinnacle Developments Ltd.



MaryanAbdi Hassan(Member)
D.o.B 1977

MaryanAbdi is the County Director Nairobi. She is currently pursuing Masters of Education (Educational Planning & Administration) at Catholic University of East Africa. She holds a Diploma in Education Management- Kenya Education Management Institute-(October 2011-2013); Bachelor of Education-Science- KU 2004-2007; Diploma in Education (Science)-Kagumo Teachers college (1997-1999). She has worked with TheTSC in the following capacities: Principal-Kutulo G. Secondary School(2008-2013), Principal, Wajir Girls Secondary (2013-2017),Principal, Nep Girls High school-Garissa(2018), Senior Assistant Directorof Education-TVET (October-December 2018), SADE-TVET County Deputy Director, Nairobi region (January 2019 -to date).

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III Management Team

Member		Details
Nancy Njui		Principal Masters in Human Resource Bachelors in Economic, Public Administration Sociology PHD- On-going
Ruth Matanda		Deputy Principal-Administration MSC Aqua Culture
Samuel M. Kiuna		Deputy Principal-Academics Higher National Diploma(Electrical)
Simon Gitau		Registrar Medical Laboratory Technology BSC (MLT) HND(MLT)
Ruth Muli		Dean of Trainees M.A(Communication Skills) B.A(English & Literature)

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Member		Details
Alice N. Macharia		Finance Officer B. Com(Finance), CPA-K Ass-2133
Joseph Mureithi		Procurement Officer, Bachelor of Purchasing & Supplies Management, ACCA Part 1
Joy Aluoch		Human Resource Officer, Bachelor of Commerce(Human Resource Option), Certified Human Resource Profession Kenya

IV Chairperson's Statement



We have come to the end of the financial year 2021/2022 and I have every reason to thank God. The Board has laid a very strong foundation on which we are committed to build a vibrant Institution in line with our vision and mission.

Throughout the year the Board has worked very hard and this is evidenced in the rapid growth of trainees' population, infrastructure and quality of service. This has been possible due to the commitment of the Institute's management of day to day operations.

In the financial year 2021/2022 the board undertook and completed several projects that include building of Procurement office and Plumbing workshop. Major renovations done included the Boardroom, Staff lounge, Business Staff room, Examination office, Dean's Office and the Main hall. There was sound proofing of the Library, improvement of Air conditioning in the Server room and a review of the Quality Management System (QMS) to enhance quality in service delivery. To enable accommodate more trainees,

there was levelling of yard in-front of block C by putting a slab, which is now being used for trainees' discussion groups. Several Policies were developed in the year which included the Risk Management Policy, Procurement Policy and Procurement plan. The board also within the year procured an Institute bus and increased CCTV coverage from 100 to 128 cameras.

During this period, the Institute experienced a rapid trainee population growth that stands at over 3,500 that led to presentation of 1,300 graduates on 8th April, 2022. This was celebrated with pomp and colour by all the stakeholders of the Institute and especially the trainees as they received certificates.

I would like to acknowledge the opportunities that have been created by the Ministry of Education in TVET Institutions by offering HELB loans and bursaries to needy trainees who are now able to access quality education. The Capitation for trainees who have been admitted through KUCCPS also goes a long way in alleviating the burden of fees from parents, guardians and sponsors of trainees in the Institution.

The poor performance of the Economy in the Country has had a negative impact on our operations in that we have not been able to fully implement the projects as we would have wanted. However, the hard economic time has served as an eye opener for exploring other ways of generating income within the Institute.

I look forward to a brighter future for P C Kinyanjui TTI where we hope to come up with more Production Units which will supplement the income from the trainees. I also hope that we shall embark on construction of a hospitality complex that will cater for the training of the large numbers that apply for the course.

It is my prayer and belief that despite the challenges posed by poor economic performance, we shall excel in core mandate of imparting skills and attitude to the trainees.

Dr. Mary Claire Kidenda

A handwritten signature in blue ink, appearing to read 'M. Kidenda', written over the printed name.

Board Chair

PC Kinyanjui TTI

V. Report of the Principal



A BRIEF OF P C KINYANJUI TECHNICAL TRAINING INSTITUTE

Historical Background

Paramount Chief Kinyanjui Technical Training Institute is located in Riruta Satellite of Dagoretti Sub-County in Nairobi County. It is a middle level public Technical Training Institute under the Ministry of Education.

It was founded in 1979 as a Technical High School by the Greek Orthodox Church who had been granted a lease of 99 years over the piece of land by the Government of Kenya.

The Government of the Republic of Cyprus provided grants to construct an administration cum tuition block after which the school was handed over to the Government of the Republic of Kenya in 1974 while in an incomplete state. The Government of Kenya completed the remaining construction works, equipped the classrooms and workshops and the school opened its doors in 1979 as a Technical Secondary School. Its mandate changed in 1984 to that of a Technical Training Institute.

P C Kinyanjui TTI occupies the lower part of the land bordering Lenana School and is estimated to be about four (4) acres. The entrance to P C Kinyanjui TTI is shared with the Orthodox Church, Othodox College, Seminary and dispensary. The playground also serves the community which brings near fight conflicts over usage. There have been numerous efforts since 1982 to get a title deed for the land occupied by P C Kinyanjui TTI from Greek Orthodox Church which has not been possible due to the terms and conditions under which the church holds the said property.

On 27th January 2011 P C Kinyanjui TTI, through the Board of Governors took the matter to court and on 5th December 2019 judgment was made with the Institute loosing on the matter. On 28th July 2021 a governance committee had a meeting with the Bishop of the Orthodox Church and among other matters agreed to work together in serving the community.

Enrollment

Currently the student enrollment is at three thousand and forty two (3042), both boarders and non-boarders.

The Institute has seven (7) Academic departments and the population per department is illustrated in the table below:

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S/NO.	DEPARTMENT	MALE	FEMALE	TOTAL
1	Applied Sciences	70	92	162
2	Building & Civil Engineering	471	150	621
3	Business Studies	70	175	245
4	Computer Studies	50	184	234
5	Electrical & Electronics Engineering	545	80	625
6	Hospitality & Tourism	200	398	598
7	Mechanical Engineering	457	100	557
	TOTAL	1863	1179	3042

During the year the Trainees were active and participated in Nairobi Regional Athletics that were held in Thika Technical Training Institute and won trophies. The trainees also took part in Regional ball games at Maasai TTI, Regional Drama festivals at Kiambu Institute of Science and Technology. In the spirit of innovation, they participated in Robotics contest and trade fair competitions.

Online training, the mode of instruction that was adopted during the closure of the institute due to Covid 19 pandemic from March 2020 picked very well and has continued to be embraced. Additional computers were also procured to improve the access of internet from the computer labs. The performance of exams improved from 54% to 62% pass. The good performance was crowned with a Graduation ceremony on 8th April, 2022 in the Institute grounds. A total number of one thousand three hundred (1,300) trainees graduated with diplomas and certificates in various disciplines. Dr. Margaret Mwakima, the PS, State Department for Vocational And Technical Training, Ministry Of Education was the Guest of honour and commended all the stakeholders for their hard work.

Service delivery of P C Kinyanjui TTI to all stakeholders is supported by the following number of employees who are employed and paid by the Board of Governors apart from the ones employed by the Government. The Institute has the following category of employees:

	Type	Number
1.	Public Service Commission Trainers	87
2.	BOG Trainers	81
3.	BOG Non-teaching Staff	26
4.	On Contract	7
5.	Interns	12

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It is important to note that PC Kinyanjui TTI is ISO 9001:2015 certified and therefore services offered meet international standards with our core mandate being training from Artisan to Diploma level.

In the Financial Year 2021/2022 the board developed a Risk Policy management Policy and a procurement policy. The procurement policy will ensure that there is equity and fairness while dealing with suppliers. The Risk management Policy will advise in mitigation of risks to protect the staff and property in the Institute.

The Institute during the period trained many staff on different capacities like Internal Quality Assurance officers, Lead Auditors, Occupational Safety and Health officers, Integrity Assurance officers, Corruption Prevention Officers, Disability Mainstreaming and Gender Mainstreaming and inclusivity.

There were several challenges within the year which impacted the operations of the Institute especially on shortage of funds. The disbursement of funds from the parent Ministry at times delayed and to some extent affected the operations. The public Service Commission trainers were few and so the Institution hired 81 trainers on part time basis. This takes a big portion of the Institute budget which would be used to meet other needs in operations. The trainees also experienced challenges with payment of fees due to the hard economic times.

Looking forward to a future of imparting and impacting on skills gap and that TVET Institutions will be a major contributor of skills and innovations towards achievement of vision 2030.

Nancy Njui (Mrs)



**Principal
PC Kinyanjui TTI**

VI.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 PC Kinyanjui TTI performance against predetermined objectives.

P C Kinyanjui TTI has 7 strategic pillars /issues/ themes and objectives within current Strategic Plan for the FY 2021/22. These strategic pillars are as follows:

Pillar/theme/issue 1: Priority infrastructure and equipment

Pillar/theme/ issue 2: Quality of services

Pillar/theme/issue 3: Human Resource

Pillar/theme/issue 4: Stable Financial Base

Pillar/theme/issue 5: Research development and Commercialization

Pillar/theme/issue6: Learning Environment

Pillar /theme/issue7: Corporate Identity

P C Kinyanjui TTI develops its annual work plans based on the above 7pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. P C Kinyanjui TTI achieved its performance targets set for the FY 2021/2022 period for its 7 strategic pillars, as indicated in the diagram below:

Strategic Pillar		Objective	Key Performance Indicators	Activities	Achievements
Pillar / theme / issue 1	Priority infrastructure and equipment	To develop priority infrastructure and equipment	Report showing infrastructure need for PCKTTI	Constructi on Renovatio ns Purchase Repair and maintenanc e	Levelling of the yard in front of C block, bought computers, procurement office built, hall, A35, board room renovated,
Pillar / theme / issue 2	Quality services	To enhance quality service at the institute	-Review of the institutes QMS, -Implementation of the QMS, sensitization of the stakeholders, -Improve the employee working culture -development and implementation of an effective appraisal system	Review of the QMs by the process owners, Sensitizati on of the stakeholde rs	Reviewed QMS, sensitized the stakeholders

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Pillar/theme/issue 3	Human Resources Capital	To enhance human resource capital	Numbers of staff trained in competence education and training, Number of staff trained in ICT and management, Number of staff trained in HIV infections prevention, Number of managers trained on IQA	Train the managers and staff	Training of Gender mainstreaming committee, IQA committee, OSHA committee, Disability mainstreaming, Prevention of ADA, Defensive training of a driver, National Cohesion training, HIV and Aids testing and counselling, Covid -19 Vaccination
Pillar/theme/issue 4	Stable financial base	To improve the financial base for the institute	-Increase in GOK funding, -Reduce trainees debtors , numbers of proposals submitted, -Increase of revenue from county govts, -Establishment of income generating Activities	Fabrication of desks, tables and furniture Adhere to the fees collection procedure, Encourage and assist trainees to apply for bursary and HELB Loan Encourage departments to have IGAs, Partner with County govts and other bodies	-Hospitality & Mechanical departments IGAs, Partnership with AMREF, IRC(international Rescue centre), KIST, HELB loans and bursaries, CDF and County bursaries

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Pillar/theme/issue 5	Research development and commercialisation	To enhance research development and commercialization	-Increase in budgetary allocation for research, -Number of incubates, --Number of additional staff in department, - -Development of the research policy,	Develop research policy, Inclusion in the budget, Participate in the robotics	Participation in Robotic contests Participation in Trade fairs Presentation of research papers Increased budgetary allocation
Pillar/theme/issue 6	Learning Environment	To improve the learning environment	Number of short courses mounted, - Number of events participated in Number of extra curricula activities participated in, -establishment of a career guidance and career unit	Establish career guidance office, increase participation in science and technology contest, participate in sports and games events	Establishment of career guidance office, increase participation in science and technology contest, participation of sports and games events
Pillar/theme/issue 7	Corporate Identity	To strengthen PCKTTIs identity	Number of advocacy and awareness campaigns, -Number of graduation ceremonies and other forums undertaken, -Staff and trainees participating in community activities, -Number of times facilities are offered for social and education ceremonies	Participate in activities touching the community	Held a graduation Ceremony, Trainee& staff cleaning program Tree planting activities

The Institution had a Performance contract with the Government through the Ministry of Education and has achieved a lot. It breaks down the objectives into achievable targets for a certain quarter. The

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Institution committed itself to financial stewardship and discipline, Service delivery, introduction of new courses, implementation of government directives and access to Government procurement opportunities and manage other cross cutting issues like Mainstreaming road safety, disability and gender and inclusivity. The Institute trained many staff in the year to enhance quality service and in maintaining efficient human capital. The Pass rate in national examinations has risen from 54% to 62% and this has led to producing of competent graduates. This has been possible due to the upgrading of the equipment and infrastructure. The performance contract achievement for the period was at “very good” (2.9833).

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VII Corporate Governance Statement

Corporate governance is a system of rules and practices and processes by which a company is directed and controlled. It identifies who has power and accountability and who makes decisions. The Board of Governors is mandated to make decisions and direct the running of the institute.

(a) ANALYSIS OF BOARD MEETINGS WITHIN THE FINANCIAL YEAR 2021/2022

S/NO	DATE	ATTENDANCE	PURPOSE
1	13 th July, 2021	6	Finance Committee Meeting
2	27 th July, 2021	6	Governance Committee
3	14 th September, 2021	2	Finance committee (Virtual)
4	17 th September, 2021	2	Audit Committee Meeting
5	22 nd September, 2021	8	Full board Meeting
6	28 th September, 2021	5	Chairs of the Committee
7	14 th October, 2021		Finance Committee meeting
8	11 th January, 2022	3	Audit Committee Meeting
9	11 th January, 2022	3	Finance Committee Meeting
10	13 th January, 2022	6	Full Board Meeting
11	4 th April, 2022		Academic & Disciplinary Committee meeting
12	7 th April, 2022	7	Full Board Meeting (Graduation Preparation)
13	20 th April, 2022		Finance Committee Meeting
14	23 rd June 2022	3	Finance Committee
15	23 rd June, 2022		Audit Committee meeting
16	27 th June, 2022	8	Full Board Meeting

APPOINTMENT OF THE BOARD MEMBERS

The appointment of the Board of Governance is done in accordance with the second schedule of the Technical and Vocational Education and Training (TVET) ACT NO. 29 of 2013. The appointing authority is the Cabinet Secretary and in accordance with section 28 (3) and the second schedule part (1) and (2) (a) of the TVET Act. The term of office is three (3) years effective from the date of letter of appointment. The ACT also explains how a board member can be removed from office. The Board members sign a conflict of interest register before they hold meeting in case there is need to declare conflict of interest.

ROLE AND FUNCTIONS OF THE BOARD.

The functions of the Authority shall be to:

1. Regulate and coordinate training under this Act 2013 Technical and Vocational Education and Training No.29 Act.
2. Accredite and inspect programmes and courses.
3. Advice and make recommendations to the Cabinet Secretary on all matters related to training.
4. Determine the national technical and vocational training objectives.
5. Promote access and relevance of training programmes within the framework of the overall national socio-economic development plans and policies.

6. Prescribe the minimum criteria for admission to training institutions and programmes in order to promote access, equity and gender parity.
7. Recognize and equate qualifications awarded by local or foreign technical and vocational education institutions in accordance with the Standards and guidelines set out by the Authority from time to time.
8. Develop plans and guidelines for the effective implementation of the provisions of this Act;
9. Establish a training system which meets the needs of both the formal and informal. Sectors as provided under this Act.
10. Collect, examine and publish information relating to training.
11. Inspect, license, register and accredit training institutions. Advise on the development of schemes of service for trainers.
12. Assure quality and relevance in programmes of training.
13. Liaise with the national and county governments and with the public and the private sector on matters relating to raining.
14. Undertake, or cause to be undertaken, regular monitoring, evaluation and inspection of training and institutions to ensure compliance with set standards and guidelines.
15. Mobilize resources for development of training.
16. Ensure the maintenance of standards, quality and relevance in all aspects of training, including training by or through open, distance and electronic learning.
17. Approve the process of introduction of new training programmes and review existing programmes in Technical and Vocational Education and Training Board institutions.
18. Perform any other functions necessary for the better implementation of this Act.

The Authority may, where appropriate, with approval of the Cabinet Secretary, delegate the performance of any of its functions to a suitably qualified person or body.

The Board remuneration is done based on attendance of the meetings where they sign the BOG attendance book.

There is an internal Auditor who represents and report to the Board members i.e. Audit committee.

There is a conflict of interest register which is signed before any agendas are discussed.

VIII Management Discussion and Analysis

The Institute's operational and financial performance

The institute is purely a public institution whose mandate is to provide quality and relevant technical training to our learners for industrialization of Kenya by year 2030. It relies on Government funds and fees paid by trainees. P C Kinyanjui TTI is not a profit making organization.

There were many activities that took place during the year touching on the operations and definitely touched on the finances in the institution.

A committee had been appointed to spearhead the risk policy a formulation. It did the work and finalized its work and delivered a Risk Policy document which will is now in use in the Institution. The institute therefore has a Risk Register which will serve the institution. In the same spirit, the Institute also developed and procurement manual policy to ensure that we entrench quality. There was also an Audit charter and an Audit Committee charter to explain their duties and responsibilities in making work easier and efficient. The Institution service charter was also translated in Kenyan sign Language so as to reach the deaf and encourage inclusivity,

The Institute participated in Regional Ball games in Maasai Technical Institute in the year. Unfortunately, the institute didn't fare well and hence it received no awards.



The PCKTTI Volley ball ladies' teams preparing to go to Maasai Technical Training Institute.



The Football teams ready for the contest

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There was an interdepartmental athletics championship which took place in the institution on 4th March, 2022 which was very refreshing in the course of the term. From the competitions, the institute got an able team that would later represent her in regional athletics. The Nairobi Regional athletics and indoor games took place in Thika Technical Training Institute on 14th to 16th March, 2022. The athletes brought with them 14 trophies which they won from the various sports that they participated in. They later proceeded to participate in National Athletics which took place in Nyayo Stadium, Nairobi. This was also done together with the indoor games. PC Kinyanjui TTI had athletes competing with other institutions in badminton, tennis, singles and doubles. The Institution won in 110 metres hurdles and became number one, badminton number two and the table tennis too.



The PCKTTI team celebrate their victory after the Nairobi Regional athletics and indoor games in Thika Technical Training Institute

The results for KNEC exams were received and they were pleasing because the institute had improved in percentage pass from the previous 54% to 62%. This was followed by trainees booking for the July series exams which took about a month.

The Environmental Club also cleaned the institution and the neighbouring community playground on 18th March 2022. The club enhanced cleanliness in the effort of creating awareness on the benefits of preserving the environment and hygiene to the community.

The institute participated in the TVET Fair and Robotics Contest, Nairobi Region 2022. This took place in Narok County in Ole Ntimama stadium from 24th to 27th March, 2022. The institution presented 21 projects and 7 of them won trophies which are proceeding to the National level. Equally, there were two

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research papers that were presented alongside the projects. The institute also presented a Robot in the contest. The National Robotics Contest took place in Meru Technical Training Institute on 24th - 27th May, 2022. Among the projects that PC Kinyanjui TTI presented, two of them won Position One, in the Electronics Category and Position Two in the Mechanical Category. This has gone a long way in encouraging science, Technology and innovation in line with vision 2030.

Below is a picture of the trophies and some of the participants.



Trainees and trainers celebrate with the trophies they won during the Tvet fair and Robotics contest.

The institution had a graduation ceremony on 8th April, 2022 to celebrate the hard work that had been put in by the trainees, parents, support staff, the trainers and the stakeholders in producing graduates who are competent. There were 1,300 Graduates who had achieved certificates and diplomas in various fields of study. This was celebrated in the Institution and Dr.Margaret Mwakima was the guest of honour. We have attached some pictures to reflect on the celebration of the graduation day by the happy participants.



The guest of honour and the principal dancing in celebration with the graduates



The guest of Honour with Members of the Board and Other guests

In the year, Equity Bank donated trees to the institution which were planted with the help of the Environmental club which has been taking care of the environment and encouraging the community to do the same. The occasion was graced by the Equity Bank Manager Kawangware together with a team from the bank and Bishop Makarios of the Orthodox Church.

The trainees participated in the Regional Drama festivals from 1st to 5th May, 2022 which took place in Kiambu Institute of Science and Technology (KIST). The trainees presented Poems, dramatized dance, coral verse and a mime. The Cultural dramatized Dance was number 3 and is proceeding to the National level.

The Environmental Club also cleaned the institution and the neighbouring community playground on 18th March 2022. The club enhanced cleanliness in the effort of creating awareness on the benefits of preserving the environment and hygiene to the community. Below are pictures showing how the activity happened.



The Environmental club pose for a photo before embarking on the cleaning exercise.



The Environment Club doing the cleaning in the field.

Key projects and investment decisions the institute has implemented

There have been repairs done in the institute properties during this period. The staff canteen was extended within the period to accommodate more staff and make it more conducive. Others include vehicles repairs and maintenance and repairs of computers and accessories. In the trainees' canteen there were repairs of the doors, chimney, gas range windows etc.

During the period there were major renovations done in the board room which was given a facelift to make it modern and friendly. This came along with washrooms next to the boardroom which was a major renovation. The business department was also moved to a bigger staffroom which was also renovated and fitted with shelves. A procurement office was constructed during this period to separate the Procurement office from the store keeper's office and to create sufficient space for the stores.

The institute bought more computers to help improve technology integration in the learning process especially during this period of Covid-19 where trainers and trainees have embraced online learning.

The institute has also benefitted from a Bear II Solar Project donated by UNESCO. The project is about Solar Photo Voltaic, which addresses conversion of Solar Energy into electric energy which is used for domestic and Industrial installations in all areas including remote parts of Kenya that may not be connected to the national grid.

The institution has continued to grow and this has come with need for more conference rooms. In the year, major renovations were, done to some rooms to make them more conducive for learning and meeting. The main hall was renovated and made more modern and its user friendly and comfortable for meeting. Room A35 was also renovated, furnished, decorated and is now being used for meetings.

The yard in front of block C was cleared, filled and also levelled with concrete slabs which turned it into a beautiful place suitable for trainees to sit and do their discussion groups in the tents pitched there. This has encouraged study habits of the trainees as they got a space out of the classes for their group discussions. On the same note, following the increase of Building and Civil Engineering trainees, there was a need for a plumbing workshop. The workshop was extended to a large size and is serving the trainees well for their practical lessons.

The institute has paid for a new bus which has been long overdue since the number of learners has increased. The new bus will encourage the trainees since they will be able to go for their academic tours which are necessary in the impartation of their skills in technical training. Some of the tours are done as project work by the Trainees in fulfilment of the course requirements.

In entrenching quality in the management of operations in P C Kinyanjui TTI a Procurement Policy has been developed. The Procurement manual documents how work will be done following the best practice in government. The institution has also come up with a Risk Policy that outlines the risks of the institution and how they will be managed to ensure achievement of the objectives of every department, protect staff and assets as well as ensure financial sustainability.

The institute is in the process of developing an audit charter which will guide the Audit department in their work and clearly spelt out their duties and responsibilities, their mandate and how the unit relates to the entire institution. Together with it is an Audit Committee Charter which will guide the Committee in its work in ensuring there is effective oversight.

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Finally, an Asset Valuation was carried out to determine the current value of the institutes Assets. This will help in verifying the value of assets owned by PC Kinyanjui TTI and will advise on how to take care of them.

Compliance with statutory requirements

The institute remains committed to compliance with remittance of statutory obligation.

Major risks facing the institute

Liquidity risks

The institute is a public institution which relies on Government funds and fees paid by students. It is not a profit making P C Kinyanjui TTI. Due to reduction in the grants from GOK the institution is not able to meet some of its obligations. There exists a large amount in pending bills from quarter to quarter because the government disburses the money late and so the projects delay in execution.

Operational risk

There is Shortage of trainers as trainees population has continued rising. The institution is therefore required to hire part time trainers who are consuming a large amount of fees paid and this to a great extent affects the operations in the institute.

Fire and Burglary are risks on assets although the institute has insured them. The institution has an active Kitchen in the trainee's cafeteria which could cause a fire. The hospitality department also has kitchens which are used by trainees for cooking and this could also cause a fire.

Road accidents are also a risk as the institution has vehicles that are always on the road. The driving school has learners and this could come with a road accident. The institution has written a Risk policy which will help in mitigating operational risks.

Legal risk

The institute had a case in court over land issues with the Orthodox Church which has since been settled and the parties were requested to co-exist and live amicably. Both parties accepted the judgement and have continued with their activities without any hitches.

The Institute is currently having a case in court which started in the year 2014 under Finance for cash misappropriation 2014. The case is on-going and still in the court.

Material arrears in statutory/financial obligations

There is no major financial improbity being encountered by the institution.

IX Environmental and Sustainability Reporting

(a) Sustainability strategy and profile

P C Kinyanjui Technical Training Institute exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organisation's strategic objectives.

The Institution's strategic plan communicates a desire to strengthen our efforts towards sustainability. The sustainability strategic objectives are:

1. Achieving financial sustainability
2. Achieving technical and environmental sustainability
3. Achieving academic sustainability and
4. Achieving organisational and institutional sustainability.

Financial sustainability aims at Improving Efficiency through cutting costs leading to reduced wastage of resources.

Academic Sustainability aims at sustaining results at the level of education, training and research. The sustainability of the educational results (occupational standards, curricula, teaching and learning materials, assessment tools) is guaranteed as we adhere to the regulations and procedures set by TVETA and TVET-CDACC as far as TVET-level programs are concerned. P C Kinyanjui TTI has also invested in blended learning to ensure continuity in training and learning.

Technical and environmental sustainability focuses on applying sustainability principles and practices within the structures, philosophies and services, learning processes and physical sites. We have employed key environmental strategies, e.g. on the use of environmentally friendly technologies such as rain water harvesting and also using best practices in waste disposal especially in this COVID 19 era.

Organisational and institutional sustainability has seen P C Kinyanjui TTI develop meaningful cooperation and partnerships with the private sector and the industry.

We have policy guidelines on integrating sustainability principles and practices across all our departments and throughout all our activities: administration and governance, operations, research, teaching & learning, community engagement and outreach activities. (The Greening initiative).

We have a commitment to see sustainability embedded as part of the core ethos at the Institution. The Sustainability office is working closely with management and provides an annual update on the Institution's progress towards sustainability.

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Investing in sustainability has ensured a better environment, benefit from healthier and safer working conditions and have positioned the institution to have a competitive advantage over others.

(b) Environmental Performance

P C Kinyanjui TTI has developed environmental policy to guide the organisation in our environmental performance in addition to environmental guidelines issued by NEMA. We also have an internal environment office that oversees the enforcement of the environmental policies and guidelines.

The institute has increased its Green spaces. These are areas of trees, grass, and other types of vegetation. In addition to being a welcome aesthetic and a change of face from the concrete and buildings, green spaces also provide real value in terms of sustainability. They help to improve air quality, recharge supplies of groundwater, reduce air temperature, and protect streams from polluted runoff. They also prevent soil erosion and help maintain the quality of water in the area. This was enhanced in the course of the year when in partnership with the Equity Bank, Kawangware branch more trees were planted to increase the green spaces.

Environmental Literacy has also been incorporated in technical education in the CDACC/CBET programs currently being rolled out in the institution. This will improve the awareness in management/conservation of the environment in the trainers and trainees.

The institution is in the process of developing an occupational safety and health policy.

There is a committee that oversees the implementation and enforcement of the OSHA Act 2007 guidelines. The Committee was trained in the course of the year so as to fast track the implementation of OSHA ACT 2007.

(c) Employee Welfare

Recruitment procedures:

In line with the Constitution 2010 and Employment Act 2007, HRM policies and Staff Establishment are used in providing guidelines for the above procedure.

Fair competition and meritocracy are the guiding principle for all staff appointment and advancement in the Institute.

Head of Departments developed human resource plans indicating the skill gaps that were there and how these gaps could be filled. This was submitted to the HR for compilation and submission to the Board through Principal/BOG Secretary for consideration.

Open advertisement was conducted for the same. The institute has so far recruited 8 interns in Hospitality, Finance, Building and Construction, Business, Library and Electrical and Electronics Departments. This happened where vacant positions were filled through internal advertisement. Letters of appointment were issued by the Secretary to the Board through the HR Department based on the decision of the Board.

The Head of Human Resource and Administration notified the successful candidates and they were engaged.

N/B: Paramount Chief Kinyanjui Technical Training Institute considers the one third gender rule and person with disabilities are given priority in accordance to the Labour Law.

Training and Development

The Institute recognizes the importance of employees training and development to keep them abreast with their area and encourages employees to actively participate in such trainings.

The training normally starts by Orientation and induction to help an employee to familiarize with the work environment and requirements. This helps the newly hired employees to settle down and understand the organization's set up, staff benefits, procedures, responsibilities and objectives of the organization in the first three months of appointment. So far this had been done for the Interns on board.

The Institute had organized short specific trainings such as Internal quality assurance, OSHA Training, Lead Auditors training, Gender mainstreaming and Disability Mainstreaming. These trainings were intended to impart required knowledge, skills and attitudes to enhance employee performance.

Performance Management

The appraisal process is adequately linked to objectives, work-plans and the performance contract; Moderation and validation of the rewards/sanctions implied by the assessment and recommendations are made to the Principal. The performance of all employees is evaluated and feedback relayed to the employees in writing at the end of the year.

The annual performance appraisal reports were compiled. Performance Evaluation was done and the outcome for the employee was good.

Policy on Safety and Compliance with Occupation Safety and Health Act of 2007

PC Kinyanjui Technical Training Institute acknowledges the importance of protecting and preserving the environment, and caring for the health and safety of its employees, customers, subcontractors and communities in which it operates. Safety, Health and Environment makes the integral part of all business planning and of equal importance with other key operational, business and strategic objectives.

Guidelines from the Ministry of Health on containment of any emerging pandemic(s) such as COVID-19 within P C Kinyanjui TTI precincts are upheld. P C Kinyanjui TTI also ensures that fire protection facilities provided in the various stations are adequate and maintained as advised by Fire Marshalls and Occupational Safety and Health Officers.

(d) Market place practices

A research on market demand has helped the institution offer courses that would shape business strategies and practices, and the context in which they operate, to take explicit account of their social, economic, and environmental impacts. There has been increased level of engagement with high schools and the general public as the source of our new students and for increase in brand awareness of PC Kinyanjui Technical Training Institute as a TVET institution of choice in the region and beyond.

School and church visits have given opportunities for career guidance and counselling. These opportunities have a direct impact on the students and parents where information is shared.

Training staff on customer care and public relations is also an important strategy that the institute plans to employ to build capacity of staff to handle clients and guarantee return on customers.

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Use of social media. The Website, Facebook, WhatsApp and Twitter are a continuous source of critical information for our customers.

In regard to responsible Supply chain and supplier relations, the institution places its adverts for tenders in the national dailies and on its website for access to all. Payment to suppliers is done within the limited period of less than Ninety days' and other guidelines like Presidents directive on Special category tender opportunities are adhered to.

The Institution ensures that all the courses offered are accredited by the relevant bodies for example: KASNEB, KNEC, NITA, and Pharmacy & Poison's Board.

PC Kinyanjui is a corruption free zone and the chairperson integrity committee organises for sensitization seminars within the institute to enlighten the staff on matters integrity. The institute has a committee that deals with the integrity. The chair and two other members attended training on integrity during this financial year and also some of the Corruption Prevention Committee members were trained.

Sports and games are essential for both physical and mental health of the students. The Institute values sports and has invested a lot in sports by ensuring there is enough equipment and sports uniform for the students and staff. This year interdepartmental athletics competitions were held within the institute to enable selection of the team to proceed for Nairobi regional athletics which were later held in Thika Technical. The institute did well and got 14 medals. The trainees also participated in Regional ballgames in Maasai technical Institute.

(e) Corporate Social Responsibility / Community Engagements

Corporate social responsibility helps our institution to be socially accountable to itself, stakeholders and the public. By practicing corporate social responsibility, the institute, can be conscious of the kind of impact it is having on all aspects of society, including economic, social, and environmental. CSR helps both society and the brand image of the organisation. PC Kinyanjui has tried to involve itself in CSR activities as much as was possible in the year. Some of the activities are highlighted below:

1. Tree planting at Ruthimitu Secondary School on 20th October, 2021

Why trees?

Trees are an important part of every community. Our streets, parks, playgrounds and backyards are lined with trees that create a peaceful, aesthetically pleasing environment. Trees increase our quality of life by bringing natural elements and wildlife habitats into urban settings. We gather under the cool shade they provide during outdoor activities with family and friends. Many neighborhoods are also the home of very old trees that serve as historic landmarks and a great source of pride.



Above: Students planting trees in the school ready to water them to maturity



Learners posing for a photography with their trees ready for planting.

Trees control climate by moderating the effects of the sun, rain and wind. Leaves absorb and filter the sun's radiant energy, keeping things cool in summer. Trees also preserve warmth by providing a screen from harsh wind. In addition to influencing wind speed and direction, they shield us from the downfall of rain, sleet and hail. Trees also lower the air temperature and reduce the heat intensity of the greenhouse effect by maintaining low levels of carbon dioxide.

Both above and below the ground, trees are essential to the eco-systems in which they reside. Far reaching roots hold soil in place and fight erosion. Trees absorb and store rainwater which reduce runoff and sediment deposit after storms. This helps the ground water supply recharge, prevents the transport of chemicals into streams and prevents flooding. Fallen leaves make excellent compost that enriches soil.

Many animals, including elephants, koalas and giraffes eat leaves for nourishment. Flowers are eaten by monkeys, and nectar is a favorite of birds, bats and many insects. Animals also eat much of the same fruit that we enjoy this process helps disperse seeds over great distances. Of course, hundreds of living creatures call trees their home. Leaf-covered branches keep many animals, such as birds and squirrels, out of the reach of predators.

The main reason we like trees is because they are both beautiful and majestic.

PC Kinyanjui Technical Training Institute has committed itself over and over again in making an impact in our society. Through the commitments under the National Cohesion and Values we are committed to continue spreading kindness to all.

What is the impact?

PC Kinyanjui Technical Training Institute is a Centre of excellence in all ways. P C Kinyanjui TTI is committed to impact the society in all ways and starting with the youth was great Ruthimitu Secondary school is in our constituency and it was our honour and pride to add value to those close to us. Young people learn more through imitation than in mere words. The passion they had as they planted the trees gave us the assurance that a generation is being changed. We believe that the fruit trees will provide

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nutrition value to the youth and save the school a few coins in buying some of the needed fruits. PC Kinyanjui community is committed to do more in impacting the society in different dimensions.

National Values

The students were encouraged to be patriotic and love their nation and their school. They should adhere to the rule of law and uphold discipline, integrity and seek after unity for the great future.

Conclusion

On behalf of the National Cohesion and Values Committee, Red Cross Chapter and Environmental Club, I take this opportunity to thank the Principal, Madam NancyNjui for the overwhelming support given to the clubs in ensuring success of the noble activity.

Cheers to Ruthimitu Secondary School, through the able leadership of the Head teacher for opening their gate for us to work with her and the staff

X Report of Board of Governors

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

(a) Principal activities

The principal activities that enable the institution to produce graduates who are knowledgeable, skilled and equipped with positive attitude that will enable them to cope with challenges of the fast changing world are:

- Provide a conducive environment for teaching and learning.
- Promote leadership by providing opportunities for students' representation in clubs and classes
- Provide adequate training materials.
- Adhere to the Government regulations and policies.
- Ensure syllabus coverage by optimizing and time utilization.
- Ensure all industrial attaches are posted and assessed.
- Ensure standard evaluation through continuous assessment tests and examination.
- Conduct annual staff performance appraisal.
- Ensure prompt payments for supplies and services.
- Remain updated on modern technology by facilitating in services courses and industrial attachments for the staff.
- Make the institution a center of interest for all through enhanced publicity, high levels of performances, quality service and integrity.
- Improve the rate of conveying information adequate communication channels.
- Provide timely response to all enquiries.
- Provide quarterly and annual performance reports to the Ministry of Education Science and Technology.

Results

The results of P C Kinyanjui TTI for the year ended June 30th, 2022 are set out on pages 1 to 36.

Board of Governors

The members of the Board who served during the year are shown on page vii to xv. During the year 2021/2022 no director retired/ resigned and none was appointed.

Auditors

The Auditor General is responsible for the statutory audit of P C Kinyanjui TTI in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015. Office of the Auditor General staff were nominated by the Auditor General to carry out the audit of P C Kinyanjui TTI for the year/period ended June 30, 2022, in accordance to section 23 of the Public

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Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board



.....

Secretary of the Board

Nairobi

Date:

XI. Statement of Board of Governors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 - (entities should quote the applicable legislation under which they are regulated) require the council members to prepare financial statements in respect of that P C Kinyanjui TTI which give a true and fair view of the state of affairs of P C Kinyanjui TTI at the end of the financial year/period and the operating results of P C Kinyanjui TTI for that year/period. The Council members are also required to ensure that P C Kinyanjui TTI keeps proper accounting records which disclose with reasonable accuracy the financial position of P C Kinyanjui TTI. The council members are also responsible for safeguarding the assets of P C Kinyanjui TTI.

The Council members are responsible for the preparation and presentation of P C Kinyanjui TTI financial statements, which give a true and fair view of the state of affairs of P C Kinyanjui TTI for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of P C Kinyanjui TTI, (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 P C Kinyanjui TTI, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

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

Nothing has come to the attention of the Council members to indicate that the P C Kinyanjui TTI will not remain a going concern for at least the next twelve months from the date of this statement.

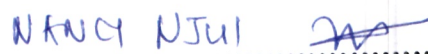
Approval of the financial statements

P C Kinyanjui TTI's financial statements were approved by the Board on 14th September 2022 and signed on its behalf by:



Name

Chairperson of the Board

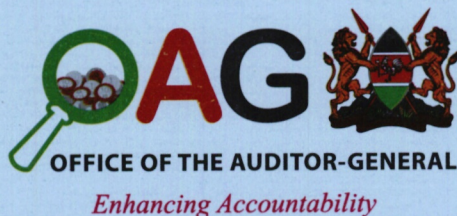


Name

Accounting Officer/Principal

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON PC KINYANJUI TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of PC Kinyanjui Technical Training Institute set out on pages 1 to 36, which comprise of the statement of financial position as at 30 June, 2022, statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the PC Kinyanjui Technical Training Institute as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Specific Provision for Doubtful Debt

The statement of changes in net assets reflects accumulated surplus balance of Kshs.52,634,399 which is net of specific provision for doubtful debt of Kshs.13, 850,070. Review of records revealed that the amount relates to a court case on forged cheques from the 2011/2012 to 2013/2014 financial years. The matter was reported to the police and filed in a court of law. The case is still ongoing and the amount was recognized as a contingent asset in the previous financial year. In the year under review, the amount has been the amount has been written off by debiting the accumulated surplus.

However, the basis for the treatment, when the court is yet to determine the case and give a determination, has not been explained. In addition, the policy for bad and doubtful debts has not been provided.

In the circumstances, the accuracy and completeness of the specific provision for doubtful debt of Kshs.13,850,070 for the year ended 30 June, 2022 could not be confirmed.

2. Unsupported Capital Fund Balance

The statements of financial position and changes in net asset reflects a capital fund opening and closing balance of Kshs.750,842,279 which was not supported with a detailed analysis and the period to which it relates.

In the circumstances, the accuracy of the capital fund balance of Kshs.750,842,279 as at 30 June, 2023 could not be confirmed.

3. Inaccurate and Unsupported Property, Plant and Equipment Balance

The statement of financial position and Note 16 to the financial statements reflects property, plant and equipment balance of Kshs.823,401,374. However, review of records revealed that the following unsatisfactory matters:-

- i. The balance includes a parcel of land valued at Kshs.320,000,000 and which subject to a court judgement of 5 December, 2019 was determined to be rightfully registered to a third party and not the Institute.

- ii. The title deed to the parcel of land on which the buildings with a reported cost balance of Kshs.505,919,449 were erected was not provided for audit verification.
- iii. Included in the balance is motor vehicle net book balance of Kshs.19,631,977. However, one (1) motor vehicle had its log book jointly registered in the name of the Institute and a local bank. The value and terms of the loan facility on which the charge relates were not been disclosed in the financial statements.
- iv. Included in the balance is plant and equipment with a net book balance of Kshs.56,916,461 and whose detailed analysis, values and ownership records were not provided for audit review.
- v. The Institute benefited from donations from the State Department for Vocational and Technical Training under Mechanical Technology which were delivered, installed and tested in the year, 2019 through the Kenya-China Governments Project. However, the details of the donated assets and their respective values were not provided for audit review.
- vi. The assets register maintained by the Institute did not indicate the purchase date, cost price, current condition, depreciation amount and net book value of the assets.

In the circumstances, the accuracy, completeness, ownership and existence of property, plant and equipment balance of Kshs.823,401,374 as at 30 June, 2022 could not be confirmed.

4. Overdrawn Bank Account and Unsupported Cash and Cash Equivalents Balance

The statement of financial position and Note 9 to the financial statements reflects cash and cash equivalents balance of Kshs.19,074,704. Review of the bank reconciliation statements provided revealed that one (1) cash book was overdrawn by Kshs.696,031. The authority to overdraw the cash book was not provided for audit review.

In addition, the bank reconciliation statements for two (2) local bank accounts revealed that there were unreceipted deposits and unpresented cheques of Kshs.2,793,888 and Kshs.6,205,998 respectively, with some stale unpresented cheques dating back to 17 September, 2021. Details as to when the unreceipted deposits and stale cheques were cleared were not provided for verification.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.19,074,704 as at 30 June, 2022 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipt budget and actual amount of Kshs.335,356,000 and Kshs.307,634,248 respectively, resulting in a shortfall of Kshs.27,721,752 or 8% of the budget. Similarly, the Institute incurred a final expenditure of Kshs.287,158,155 against a final budget of Kshs.335,356,000 resulting in budget under-utilization of Kshs.48,197,845 or 14% of the budget.

In the circumstances, the Institute did not implement planned and approved projects and thus negatively affecting service delivery to its stakeholders. There is therefore need for Management to re-look into its budget mechanism with an aim of making it more realistic.

2. Prior Year Unresolved Matter

In the audit report of the previous year, issues were raised under the Report on Financial Statements, Report on Lawfulness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Lack of Ethnic Diversity in Employee Composition

Review of the employee records revealed that out of the one hundred and twenty-three (123) permanent staff, forty-nine (49) or 40% were from one ethnic community. This is contrary to the provisions of Section 7(2) of the National Cohesion and Integration Act, 2008, which stipulates that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 July, 2023

P C KINYANJUI TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

XIII. Statement of Financial Performance for the year ended 30 June 2022

Revenue : Non-exchange transactions		2021-2022	2020-2021
Description		Shs	Shs
Transfers from MDAs-Operational	1	63,247,500	64,017,500
Transfers from MDAs-Development		500,000	
Subtotal		63,747,500	64,017,500
Revenue: Exchange transactions			
Rendering of services-Tuition	2(a)	235,919,289	81,061,105
Sale of goods	2(b)	4,791,631	488,974
Other income	2(c)	1,400,805	0
Refundable deposit	13	0	561,697
Subtotal		242,111,725	82,111,776
Total revenue		305,859,225	146,129,276
Expenses			
Use of Goods and Services	3	179,963,956	129,949,739
Employee costs	4	31,237,168	19,585,840
Remuneration of Directors	5	2,574,135	2,790,000
Depreciation and amortization	6	61,828,291	56,714,424
Repairs and maintenance	7	18,882,666	16,756,275
Total expenses		294,486,216	225,796,278
Surplus for the period		11,373,009.75	(79,667,002.43)

(The notes set out on pages 6 to 36 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 5 were signed by:



Chairman of Board

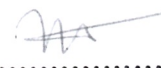
Date 05/04/23



Finance Officer

ICPAK No ASSOC/2133

Date 04/04/2023



Principal

Date 05/04/2023

P C KINYANJUI TECHNICAL TRAINING INTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

XIV. Statement of Financial Position as at 30th June 2022

Assets		2021-2022	2020-2021
Current assets	Note	Shs	Shs
Cash and cash equivalents	9	19,074,704	22,406,352
Receivables from exchange transactions			
(a) Student debtors	11(a)	25,323,521	26,553,977
(b) Contingency	11(b)	-	13,850,070
Receivables from non-exchange transactions			
Inventories	8	3,295,446	
Total current asset		47,693,671	62,810,399
Non-current assets			
Property ,plant and equipment	16	823,401,374	830,729,434
Total assets		871,095,045	893,539,833
Liabilities			
Current liabilities			
Trade payables	12(a)	23,061,969	73,711,084
Other payables (students prepayments)	12(b)	28,445,588	
Refundable deposits from students	13	4,737,800	2,502,000
Total liabilities		56,245,357	76,213,084
Accumulated surplus		52,634,399	
surplus for the year		11,373,010	66,484,469
Capital fund		750,842,279	750,842,279
Total Net assets & Liabilities		871,095,045	893,539,832

The Financial Statements set out on pages 1to 5 were signed by:



Chairman of
Council/Board



Finance Officer

ICPAK No ASSOC/2133



Principal

Date 05/04/23

Date 04/04/2023

Date 05/04/2023

P C KINYANJUI TECHNICAL TRAINING INTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

XV. Statement of Changes in Net Asset for the year ended 30 June 2022

	Accumulated surplus	Capital Fund	Total
	Ksh	Ksh	Ksh
At July 1 2020	146,151,471	750,842,279	896,993,750
Surplus for the period	-79,667,002	-	-79,667,002
At June 30 2020	66,484,469	750,842,279	817,326,748
At July 1 2021	66,484,469	750,842,279	817,326,748
specific provision for doubtful debt	-13,850,070		-13,850,070
Surplus for the period	11,373,010		11,373,010
At June 30 2022	52,634,399	750,842,279	814,849,687

P C KINYANJUI TECHNICAL TRAINING INTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

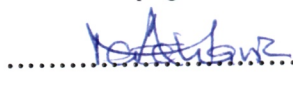
XVI. Statement of Cash Flow for the year ended 30 June 2022

		2021-2022	2020-2021
Description	Note	Sh	Sh
Cash flows :operating activities			
Receipts			
Transfers-Government grants and subsidies	1	63,747,500	64,017,500
Rendering of services-Fees	2(a)	235,919,289	54,507,128
Sale of goods	2(b)	4,791,631	488,974
Other income	2(c)	1,400,805	
Student prepayments	12	7,621,792	9,529,467
Refundable deposits from students	13	2,239,000	561,697
TOTAL		315,720,017	129,104,767
Payments			
Use of Goods and services	3	179,963,956	116,381,474
Compensation of employees	4	31,237,168	18,265,827
Board remuneration	5	2,574,135	2,790,000
Repair and Maintenance	7	18,882,666	15,791,052
TOTAL		232,657,925	153,228,353
Net cash flows :operating activities		83,062,092	(24,123,586)
Adjust for Working Capital Changes			
(Increase)(Decrease in Inventories		(3,295,446)	
Increase (Decrease) in other Payables		4,129,785	
Decrease(Increase) in receivables		(32,727,849)	
Net movement on working capital		(31,893,510)	
Cash flows from investing activities		51,168,582	
Purchase of PPE (Work in progress	14	54,500,230	78,366,199
Net cash flows from investing activities		(54,500,230)	(78,366,199)
Net Change in cash & cash equivalents		(3,331,648)	(102,489,785)
Cash and cash equivalents at start of Period		22,406,352	124,896,137
Cash and cash equivalents at end of period	9	19,074,704	22,406,352

The Financial Statements set out on pages 1 to 5 were signed by:

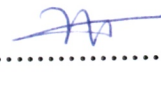


Chairman of
Council/Board



Finance Officer

Assoc / 2133



Principal

Date 5/04/2023

Date 04/04/2023

Date 05/04/2023

P C KINYANJUI TECHNICAL TRAINING INTITUTE
Annual Report and Financial Statements for the year ended 30th June 2022

XVII. Statement of Comparison of Budget & Actual amounts for the year ended 30 June 2022

Description	Original annual Budget	Adjustments	Final Annual Budget	Actual Cumulative to date	Variance	% of Utilization	Explanation of variances
	Variance	Cumulative	Cumulative				
	Shs	Shs	Shs	Shs	Shs		
Revenue							
Government grants and subsidies	91,000,000	8,000,000	99,000,000	63,747,500	35,252,500	36	NOTE 1
Rendering of services	193,772,500	42,583,500.00	236,356,000	243,886,748	(7,530,748)	(3)	
	284,772,500	50,583,500	335,356,000	307,634,248	27,721,752	8	
					-		
Expenses					-		
Compensation of employees	32,248,400	300,000	32,548,400	31,237,168	1,311,232	4	
use of goods and services	156,068,800	41,334,000	197,402,800	179,963,956	17,438,844	9	
Repair and Maintenance	27,750,000	(7,050,000)	20,700,000	18,882,666	1,817,334	9	
Board remuneration	2,870,000	-	2,870,000	2,574,135	295,865	10	NOTE 2
PPE	65,835,300	15,999,500	81,834,800	54,500,230	27,334,570	33	NOTE 3
Total expenditure	284,772,500	50,583,500	335,356,000	287,158,155	48,197,845	14	
Surplus			-	20,476,093			

Budget notes

Differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14

NOTE 1: The institute did not receive capitation for quarter four and mechanical grant from the government.

NOTE 2: There were no disciplinary issues during the year hence the board did not hold any disciplinary meeting as budgeted for.

NOTE 3: The institute never received mechanical workshop grants and capitation for quarter four, hence the funds available were not adequate to carry out all the budgeted project during the financial year.

XVIII. Notes to the Financial Statements

V. General Information

P C Kinyanjui TTI is established by and derives its authority and accountability from TVETA Act 2013. P C Kinyanjui TTI is wholly owned by the Government of Kenya and is domiciled in Kenya. P C Kinyanjui TTI principal activity is training.

VI. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of P C Kinyanjui TTI.

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

Notes to the Financial Statements (Continued)

VII. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of P C Kinyanjui TTI future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between P C Kinyanjui TTI risk management strategies and the accounting treatment for instruments held as part of the risk

Standard	Effective date and impact:
	management strategy.
IPSAS 42: Social Benefits	Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting P C Kinyanjui TTI provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by P C Kinyanjui TTI; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on P C Kinyanjui TTI financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1st January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	Applicable 1st January 2023 IPSAS 22 Disclosure of Financial Information about the General Government Sector. Amendments to refer to the latest System of National Accounts (SNA 2008).

Standard	Effective date and impact:
	• <i>IPSAS 39: Employee Benefits</i> Now deletes the term composite social security benefits as it is no longer defined in IPSAS. • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of P C Kinyanjui TTI. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

iii. Early adoption of standards

P C Kinyanjui TTI did not early-adopt any new or amended standards in year 2022.

VIII. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

P C Kinyanjui TTI 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 P C Kinyanjui TTI.

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or P C Kinyanjui TTI right to receive payments is established.

4 Summary of Significant Accounting Policies (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2021/2022 was approved by the Council or Board on 28th June 2021. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by P C Kinyanjui TTI upon receiving the respective approvals in order to conclude the final budget.

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

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

c) Taxes

Current income tax

P C Kinyanjui TTI is exempt from paying taxes as per First Schedule of the Income Tax Act.

Sales tax/ Value Added Tax

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

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

- When receivables and payables are stated with the amount of sales tax included.

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

Notes to the Financial Statements (Continued)

d) Investment property

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

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

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

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

e) Property, plant and equipment

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

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to P C Kinyanjui TTI. 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. P C Kinyanjui TTI also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that P C Kinyanjui TTI 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 P C Kinyanjui TTI. 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

h) Research and development costs

P C Kinyanjui TTI expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when P C Kinyanjui TTI 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.

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

P C Kinyanjui TTI assesses at each reporting date whether there is objective evidence that a financial asset or P C Kinyanjui TTI of financial assets is impaired. A financial asset or P C Kinyanjui TTI of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or P C Kinyanjui TTI of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

Notes to the Financial Statements (Continued)

4 Summary of Significant Accounting Policies (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

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

Notes to the Financial Statements (Continued)

- 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

4 Summary of Significant Accounting Policies (Continued)

Inventories (Continued)

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

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of P C Kinyanjui TTI.

k) Provisions

Provisions are recognized when P C Kinyanjui TTI 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 P C Kinyanjui TTI 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

P C Kinyanjui TTI 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

P C Kinyanjui TTI 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 P C Kinyanjui TTI in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial

Notes to the Financial Statements (Continued)

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.

4 Summary of Significant Accounting Policies (Continued)

l) Nature and purpose of reserves

P C Kinyanjui TTI creates and maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

P C Kinyanjui TTI recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

n) Employee benefits

Retirement benefit plans

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

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

o) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from

Notes to the Financial Statements (Continued)

those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

p) 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.

4 Summary of Significant Accounting Policies (Continued)

q) Related parties

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

r) Service concession arrangements

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

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised

Notes to the Financial Statements (Continued)

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

t) Comparative figures

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

u) 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, 2022.

IX. Significant Judgments and Sources of Estimation Uncertainty

The preparation of P C Kinyanjui TTI'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. P C Kinyanjui TTI 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 P C Kinyanjui TTI. 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 P C Kinyanjui TTI
- 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

Notes to the Financial Statements (Continued)

- Changes in the market in relation to the asset

1 Transfers from other National Government entities

Transfers from other governments	2021-2022	2020-2021
Description	Shs	Shs
Unconditional grants		
Operational grant-capitation PCKTTI	63,247,500	48,450,000
Operational grants Emurua-	-	1,000,000
Operation grants Ngong TVC	500,000	1,000,000
Capitations-Ngong TVC	-	240,000
Other grants-EmuruaDikir	-	13,327,500
subtotal	63,747,500	64,017,500
Conditional grants		
Mechanical W/Shop Grants	0	0
subtotal	0	0
Total government grants and subsidies	63,747,500	64,017,500

2(a)

Rendering of services	2021-2022	2020-2021
Description	Shs	Shs
Tuition fees	66,968,197	41,509,239
Personal emoluments	30,298,660	15,582,509
Practicals tuition	8,217,160	1,353,564
Practicals exams	7,346,236	4,305,364
Facilities & materials	44,701,914	9,708,963
Income generating activities	10,112,150	1,555,313
Student clearance accounts	47,858,649	3,076,533
Industrial attachment	3,877,389	717,916
Activity fee	10,640,954	2,417,673
Registration	5,897,979	1,323,005
Total revenue from the rendering of services	235,919,289	81,550,079

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2(b)

SALE OF GOODS	2021-2022	2020-2021
Description	Shs	Shs
Food & Beverage Income	107,218	49,570
Student canteen Sales	2,733,516	-
Staff canteen sales	277,898	439,404
Sale of furniture (Chairs, windows, doors, etc)	1,673,000	
Total sale of goods	4,791,631	488,974

2 (c)

Other income	2021-2022	2020-2021
Description	Shs	Shs
Graduation fee	1,400,805	-
Total Other income	1,400,805	-

3

USE OF GOOD AND SERVICES	2021-2022	2020-2021
Description	Shs	Shs
Tuition & Training Materials	18,693,917	22,384,368
S.e.shospknec materials	4,885,014	
S.e.s practical tuition	5,021,387	
Advertising	849,694	2,108,184
Education Tours	714,851	23,320
Library bks& E-Library	484,740	500,000
Student Activity Expense	5,542,306	1,416,950
Consultancy & Litigation	96,000	446,940
Internet	2,249,930	2,549,455
Electricity	3,523,863	2,641,993
Fuel and oil	1,736,547	1,100,528
Insurance-students	839,500	605,494
Graduation/Open Day	4,123,685	-
Income Generating Activities	15,976,413	13,557,365
Telephone & Postage	1,550,510	1,696,325
Printing and stationery	6,008,826	3,487,257
Student Welfare	1,349,295	615,435
Boarding Equipment & Stores	2,196,959	3,228,825

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Security costs	3,422,700	2,895,000
Caution		1,200
Fee Refund	539,576	404,803
HELB Refund	253,275	342,961
Medical Expenses	737,570	908,510
Uniforms Students	1,900,200	1,316,000
Staff Welfare Expense	2,024,085	4,743,080
Staff Uniform	3,700	241,505
Staff Development	2,674,680	1,133,930
Awards & Motivation	1,041,856	1,248,500
Insurance-M/V & Fixed Assets	784,134	644,472
Sanitary Services	988,460	507,932
Newspaper	175,560	185,170
BOG Induction		2,037,499
Shows & Exhibition	1,196,535	35,620
Cleaning Materials	2,433,969	1,262,375
Duty Travel-Local	5,843,769	3,161,646
Duty Travel-International	760,492	-
Workshop & Seminars	11,269,382	3,786,860
Research & Innovation	1,740,920	1,414,890
Attachment	3,829,095	1,288,790
External Exams	26,736,520	11,466,930
ISO	3,256,600	458,925
Performance Contract	3,246,340	1,290,410
Audit Fees-External	500,000	500,000
Registration expense	677,050	
EmuruaDikir TTI operational expense	3,770,000	10,818,976
NGONG TVC operational expense	500,000	2,588,884
Health and safety (WIBA)	342,800	
Return to school expenses ('COVID 19' provision)	4,222,836	13,284,447
Asset Valuation	3,723,600	311,975
Institute Risk policy	5,503,315	
Institute Procurement manual	2,687,700	
institute audit charter and audit committee	2,254,800	
GRADUATION REFUND	234,460	
External exam materials	3,583,345	
Institute Finance Manual		1,726,100
Human resource manual		1,664,760.00
Sinanges		1,192,000.00
Bank charges	1,244,518	721,995
Mpesa charges	16,678	1,155
Total use of good and services	179,963,956	129,949,739

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Employee costs	2021-2022	2020-2021
Description	Shs	Shs
Salaries and wages-BOG non-teaching	18,265,475	13,644,522
Salaries and wages-BOG Teaching	12,750,856	5,941,319
Gratuity payment	220,838	
Total Employee costs	31,237,168	19,585,841

5

REMUNERATION OF BOARD MEMBERS	2021-2022	2020-2021
Description	Shs	Shs
Board allowance	2,574,135	2,790,000
TOTAL	2,574,135	2,790,000

6

DEPRECIATION AND AMORTIZATION	2021-2022	2020-2021
Description	Shs	Shs
Building	25,295,972	23,348,823
Motor vehicle	3,737,544	3,737,544
Furniture & Fittings	1,453,948	919,680
Computer	9,882,375	8,431,769
Property, plant and equipment	20,757,119	20,276,607
Computer software	701,332	
Total Depreciation and Amortization	61,828,291	56,714,423

7

Repairs and maintenance	2021-2022	2020-2021
Description	Shs	Shs
Property	11,868,977	7,569,419
Vehicles	2,374,046	2,043,337
Computers & Accessories	424,935	245,485
CCTV Maintenance	580,590	260,675
Road Improvement/ Maintenance	757,330	3,284,550
Equipment & Machinery	978,463	485,733
Furniture and fittings	565,565	264,226
Improvement of Water Drainage System	1,332,760	1,727,310
M.I.S Maintenance		515,280
Student Canopy		360,260
Total repairs and maintenance	18,882,666	16,756,275

8

Inventories for the year	2021-2022	2020-2021
Description	Shs	Shs
closing Inventories as at June	3,295,446	0
Total Inventories	3,295,446	0

9

Cash and cash equivalents	2021-2022	2020-2021
Description	Shs	Shs
Current account	19,074,704	22,406,352
Total cash and cash equivalents	19,074,704	22,406,352

10

Cash and cash equivalents detailed	Details	2021-2022	2020-2021
Financial institution		Amount	Amount
a) Current account	BANK ACCOUNT	Shs	Shs
Kenya Commercial bank	1209950898	981,706	697,074
Equity Bank,	0630272454874	-696,031	642,226
Co-op-Fund Acc	01129081445700	686,839	1,436,701
Co-op-Students Acc	01100029240600	67,232	67,232
Co-op-Dev.Acc	01139081068501	204,153	1,332,784
Co-op-Main Acc	01120081068500	17,722,685	18,004,397
Sub- total		18,966,584	22,180,414
b) Others (specify)			
Cash in hand		108,120	225,937
Sub- total		108,120	225,937
Grand Total		19,074,704	22,406,351

11(a)

Receivables from exchange transactions	2021-2022	2020-2021
Current receivables	Shs	Shs
Opening receivables	26,553,977	0
a) Students Debtors	25,323,521	26,553,977
student debtors received in the year	-26,553,977	0
Total current receivables	25,323,521	26,553,977

11(b)

Receivables from exchange transactions	2021-2022	2020-2021
Current receivables	Shs	Shs
Contingency b/f	13,850,070	13,850,070
specific provision for doubtful debt	-13,850,070	0
Total current receivables	0	13,850,070

The Ksh 13,850,070 relates to cheques which were forged in the Financial Years 2011/2012 to 2013/2014 where a case was filed in court and still on going. The court will determine the case and the treatment of this amount in the Financial statements will depend on the court ruling.

12 (a)

Trade and other payables from exchange transactions	2021-2022	2020-2021
Description	Shs	Shs
Trade Payables		
Opening payables	18,932,184	0
Trade payables for the year	23,061,969	18,932,184
Payables paid in the year	-18,714,721	0
Retained Earnings	-217,463	0
Total trade and other payables	23,061,969	18,932,184

12 (b)

Trade and other payables from exchange transactions	2021-2022	2020-2021
Description	Shs	Shs
Other payables(students prepayment)		
Opening payables		
students prepayments(regular)	1,775,023	9,529,467
students prepayments(NYS)	32,180,081	45,249,433
prepayments utilized in the year	-33,955,104	0
Unutilized prepayments c/f	20,823,796	0
prepayments in the year	7,621,792	0
Total prepayments in the year	28,445,588	54,778,900

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Refundable Deposits-(caution money)	2021-2022	2020-2021
Description	Shs	Shs
B/f	2,502,000	1940303
Received in the year	2,239,000	561697
Paid in the year	(3,200)	
TOTAL	4,737,800	2,502,000

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PPE	2021-2022	2020-2021
Description	Shs	Shs
Institute Bus/Motor vehicles	15,196,000.00	7,820,400
M.I.S SYSTEM & Turnstiles full height	2,625,660.00	600,000
Additional Computers	4,189,475.00	6,824,200
Mechanical Workshop construction phase 1 Variation	3,509,885.00	
Furniture & Fittings	2,671,340.00	
Mechanical Workshop construction phase 2	5,325,002.95	12,306,840
CCTV Camera installation	166,700.00	529,070
Staff Canteen Extension	439,872.00	1,143,283
SES asset equipment & machinery	3,203,410.00	-
Improvement of smart room	2,496,450.00	-
Main Hall	2,693,360.00	-
Extension of plumbing workshop	3,703,000.00	-
S.E.S asset building	7,399,075.00	
Computer software	881,000.00	
Mechanical Workshop construction phase 1	-	15,957,764
Men's' Hostel Phase III-3rd & 4th Flr		29,575,756
Plumbing-Male & female Hostels		1,709,100
Improvement of Sever Room		1,596,740

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Painting of Block J (Library, classrooms & offices)		2,076,729
Improvement in Kitchen Chimneys, Boilers & Pots		1,305,000
Total purchase of plant and equipment	54,500,229.95	81,444,882.00

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Trade creditors reconciliation	2021-2022	2020-2021
June 2021 trade creditors b/f	18,932,184.00	500,000
Trade creditors as at June 2022	23,061,969.27	18,932,184
Subtotal	41,994,153.27	19,432,184
LESS;		
Trade creditors paid in the year	18,714,721.19	500,000
Debit note in the year	217,462.81	
Trade creditors Balance c/d as at June 2022	23,061,969.27	18,932,184

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16.PPE	Land	Building	WIP	MV	Furniture & Fittings	Computers	Plant & Equipment	Computer Software's	Total
Rate	0	5%	0%	25%	20%	33.30%	15%	20%	
Cost at 1st July 2021	320,000,000	466,976,465	13,376,339	14,950,176	4,598,401	25,320,628	135,177,381	-	980,399,390
additions	-	25,566,645		15,196,000	2,671,340	4,356,175	3,203,410	3,506,660	54,500,230
Disposals									-
Transfers		13,376,339	- 13,376,339						-
Cost at 30th June 2022	320,000,000	505,919,449	-	30,146,176	7,269,741	29,676,803	138,380,791	3,506,660	1,034,899,620
At 30 June 2021	-	23,348,823	-	3,737,544	919,680	8,431,769	20,276,607	-	56,714,423
Depreciation and impairment									-
At 1 July 2021									-
Depreciation	-	25,295,972	-	3,737,544	1,453,948	9,882,375	20,757,119	701,332	61,828,291
Impairment									-
Disposals									-
At 30 June 2022	-	25,295,972	-	3,737,544	1,453,948	9,882,375	20,757,119	701,332	61,828,291
Total Depreciation to date	-	87,650,345	-	10,514,199	3,891,137	27,276,902	81,464,330	701,332	211,498,246
Net book values									
At 30 June 2021	320,000,000	404,622,092	13,376,339	8,173,521	2,161,212	7,926,101	74,470,170	-	830,729,434
At 30 June 2022	320,000,000	418,269,104	-	19,631,977	3,378,604	2,399,901	56,916,461	2,805,328	823,401,374

X. Financial Risk Management

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

P C Kinyanjui TTI financial risk management objectives and policies are detailed below:

(i) Credit risk

P C Kinyanjui TTI 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.

(i) Credit risk (continued)

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

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

(ii) Liquidity risk management

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

(iii) Market risk

P C Kinyanjui TTI has put in place an internal audit function to assist it in assessing the risk faced by P C Kinyanjui TTI 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 P C Kinyanjui TTI 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.

P C Kinyanjui TTI 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 P C Kinyanjui TTI's exposure to market risks or the manner in which it manages and measures the risk.

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XIX Appendices

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

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

Name. Nancy Njui



Accounting Officer
P C Kinyanjui TTI
Date

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Appendix II: Projects Implemented by The P C Kinyanjui TTI

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

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	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Mechanical W/shop phase II	15,799,740	15,799,740.00	100%	5,000,000	15,000,000	

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Appendix III- Inter-Entity Confirmation Letter

PC KINYANJUI TTI
P.O.BOX 21280-00505
NAIROBI

The PC Kinyanjui TTI wishes to confirm the amounts disbursed to you as at 30th June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Insert name of beneficiary Entity] as at 30 th June 2022							
Reference Number	Date Disbursed	Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022				Amount Received (KShs) as at 30 th June 2021 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
43453	08/07/2021	500,000	0	0	500,000		
52606	18/11/2021	21,930,000	0	0	21,930,000		
52237	03/03/2022	21,930,000	0	0	21,930,000		
57216	06/06/2022	19,387,500	0	0	19,387,500		
Total		63,747,500	0	0	63,747,500	64,017,500	270,000

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

Head of Accountants department of beneficiary Entity:

Name ALICE MACHANA Sign [Signature] Date 05/08/2023

