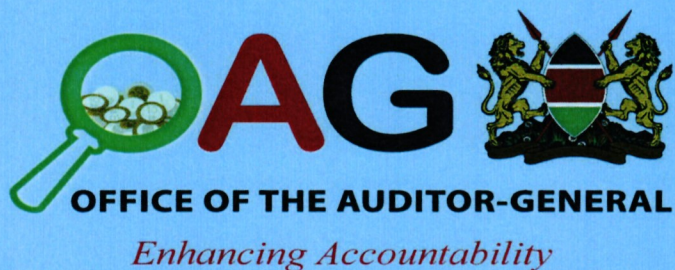


REPUBLIC OF KENYA



**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 09 FEB 2022

DAY:  
Wed

**OF**

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OF KENYA  
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THE-TABLE:

S. Kottar

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE, 2019**



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

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2019**

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

**SIKRI TECHNICAL & VOCATIONAL TRAINING COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

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**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
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FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

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**KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The STVCBD was established under the TVET Act of 2013. It was upgraded from Vocational Training Centre for the Blind and Deaf in July 2016. The entity is domiciled in Kenya and has one branch. The institute is under the Ministry of Education.

The Sikri Technical & Vocational College for the Blind and Deaf is situated along the main highway Kisumu-Oyugis-Kisii, 6km away from Oyugis town. The College is located in Homabay County, Rachuonyo South Sub-County, Kasipul constituency, East Kamagak Location, Kachieng Sub location. The centre sits on a 34 acre piece of land and experiences high rainfall conducive for agricultural practice.

The Institute was started in 1970 by the CMM brother of Tilburg under the Kisii catholic Diocese as Vocational training Centre for the Blind and Deaf- Sikri, to offer practical agriculture skills training for the poor of the poorest learners who were visually impaired .At its inception on 5/2/1970 six students were admitted, in January 1971 another six more students joined the programme.

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

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

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

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

It is important to note that the institute provides training to students across the East and central Africa region and has been the only training centre in the region with the blind, deaf and deaf/blind students all in one Institution undertaking agriculture course. The institute provides relevant livelihood skills

**(e) Fiduciary Oversight Arrangements**

*STVCBD is in the process of creating these committees:*

- *Audit committee activities*
- *Development partner oversight activities*

(e) *Fiduciary*

*STVCBD is in the process of creating these committees:*

- *Audit committee activities*

**BOARD OF GOVERNORS**



**Dr. Christine Ogola  
CHAIRPERSON**

**Year of Birth: 1976**

**Appointment: October 2018  
Inauguration: January 2019**

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

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

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

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

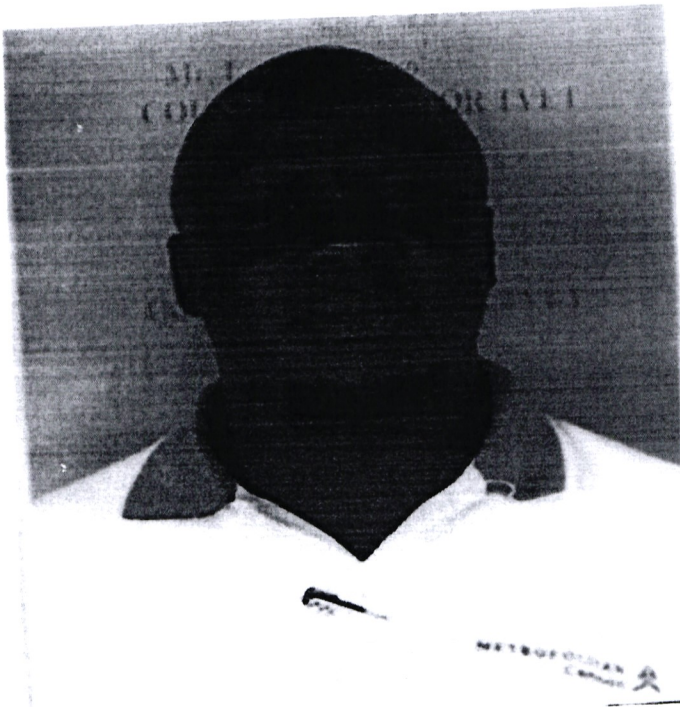


**Mr. Lucas Ocharo  
COUNTRY DIRECTOR TVET**

**Year of Birth: 1961**

**Appointment: July 2016**

**Qualification and Experience:**  
Mr. Ocharo holds a Post Graduate Diploma in Education for the Knowledge Society (Dublin City University), Bed (Sc) University of Nairobi. He is currently holding position of County Director TVET representing PS TVET (Dr. Kevit Desai)



**Mr. Collins Ochieng' Agai  
MEMBER**

**Year of Birth: 1978**

**Appointment: October 2018  
Inauguration: January 2019**

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

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**



**Mr. Evans Owiti  
MEMBER**

**Year of Birth: 1974**

**Appointment: March 2017**

**Qualification and Experience:**  
Mr. Owiti holds MBA in Global Management. Technical computer studies IT Makini school, High school Deputy Head Brookfield, IHUB and Usahidi Project Manager Human Resources Manager Consultant BGP Oil Company, Strategic planning, Management and Control consultant Board of Administrative Chair.



**Mrs. Esther Imbega  
MEMBER**

**Year of Birth: 1975**

**Appointment: March 2017**

**Qualification and Experience:**  
Madam Imbega holds Higher Diploma Food Technology and she is currently working in Homaline Company



**Eng. Andrew Tarus**  
**MEMBER**

**Year of Birth: 1976**

**Appointment: March 2017**

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



**Mr. Jorum Otieno**  
**MEMBER**

**Year of Birth: 1986**

**Appointment: October 2018**

**Inauguration: January 2019**

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

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
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**Madam Nancy Robi Samwel  
MEMBER**

**Year of Birth: 1991**

**Appointment: October 2018  
Inauguration: January 2019**

**Qualification and Experience:**  
Madam Robi holds Bachelor of Science in Nursing. She worked at Kerugoya County Referral hospital as nursing officer: intern, worked at Kehancha mother and child and also mother solbritt hospitals as a primary nurse. Currently she is working at Langas Racecourse health centre as nursing officer volunteer. She has done article published by Kenya journal of midwifery and nursing, on cultural competence in provision health care services. She also presented the same article at 4<sup>th</sup> the annual Earaton international interdisciplinary research conference.



**Mr. Daniel Randa  
SECRETARY TO THE BOARD/ SENIOR PRINCIPAL**

**Year of Birth: 1966**

**Appointment: Sept 2016**

**Qualification and Experience:**  
Mr. Randa is the Principal of the Institute and holds Masters in Science Agribusiness Management, Bachelors of Science Education Agriculture/ Biology. He also holds Diploma in Science Education Agriculture/ Biology

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**Board Committees**

<b>Name of the Committee</b>	<b>Members</b>
<b>Finance Infrastructure and Human Resource Committee</b>	1. Mr. Collins Agai – Chairperson 2. Eng. Andrew Tarus-Member 3. Mr. Jorum Otieno-Member 4. Mr. Lucas Ocharo-Member 5. Mr. Daniel Randa-Secretary
<b>Education Training &amp; Research Committee</b>	1. Mdm Esther Imbega- Chairperson 2. Mr. Evance Owiti-Member 3. Mdm. Nancy Robi-Member 4. Mr. Lucas Ocharo-Member 5. Mr. Daniel Randa-Secretary

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**MANAGEMENT TEAM**

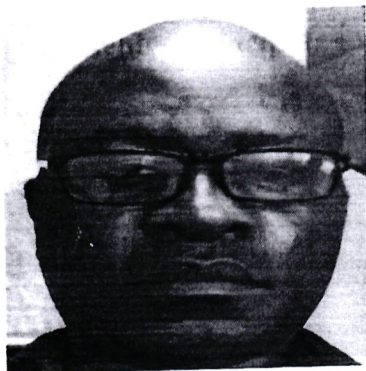
1.



**Mr. Daniel Randa**  
**Senior Principal**

Mr. Randa is In charge of day to day running of the Institute. He is the Chief Executive Officer who reports to all stakeholders. He is also the mandatory signatory to all the Institutes bank accounts and Secretary to Board of Governors

2.



**Mr. Stalin Olwenge**  
**Deputy Principal- Administration**

Mr. Olwenge deputizes the Principal and he is in charge of disciplinary issues concerning students. He attends Board meetings and take minutes as in-attendance member

3.

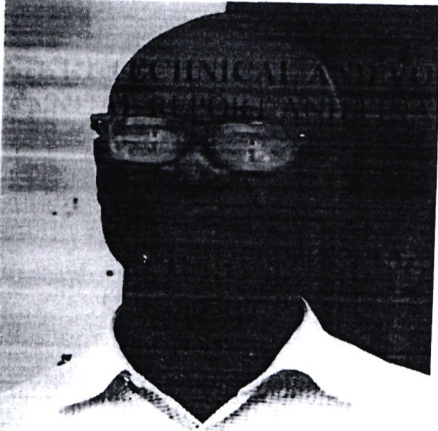


**Mrs. Bertha Owaga**  
**Ag. Registrar**

Madam Bertha is in charge of admission of students; she is the Head of Department of Hair dressing and Beauty Therapy Department. She is also in charge of assessment of students

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
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4.



**Mr. Jackton Owino  
Ag. Dean of Students**

Mr. Owino is the Dean of Students who is in charge of student affairs i.e. process boarding issues accommodation and disciplinary. He is also in charge of assisting students who apply for HELB loans and other bursary to support payment fees

5.



**Mr. Andrew Nyambuga  
Ag. Industrial Liaison Officer**

Mr. Nyambuga is in charge of Attachment and student placement. He is in charge of emergency first aid attention to students and staff at the College. He is also coordinates in turns from various institutions to the college

*Note: The Principal and the Secretary to the BoG features in both under the 'Board' and 'Management'.*

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

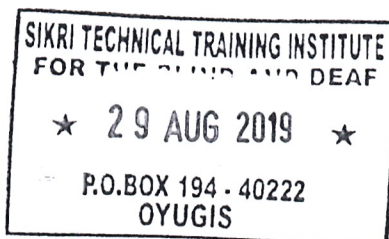
**CHAIRPERSON'S STATEMENT**

I have the pleasure to present an overview of the institute's performance for the financial year ended 30<sup>th</sup> June, 2019. Notwithstanding the challenges facing Special Needs Technical Training Institutions especially those that hinder disability mainstreaming and inclusivity in education and training, I am proud to declare that Sikri Technical and Vocational College for the Blind and Deaf continues to implement and focus on its mission and objectives.

Academically, the institute has made excellent progress and it's clear that the institute's long term strategic plan is now yielding results. We have improved and increased our physical infrastructure, increased examinable courses, training materials and equipment and human resource capacity, all these with the aim of providing affordable training programme delivery as we adhere to quality assurance standards so as to satisfy industry and community needs

These achievements reflect the enormous hard work of our staff over a long period of time. They also reflect the commitment of Board of Governors to the academic strategy and to securing the institute's financial sustainability.

I wish to finally thank the Government of Kenya, Ministry of Education state department of TVET, fellow Board Members, management and staff for their dedication and participation over the financial year in striving to make STVCBD globally competitive Technical and Vocational training centre for trainees with special needs and disabilities in the region.



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

## **REPORT OF THE PRINCIPAL**

I am pleased and grateful for what we have achieved in FY 2018/2019 as presented in this report. For us, besides communicating our financial matters through the report as required by legislation, this report is also a tool for performance review against predetermined objectives outlined in our 2016-2020 strategic plan and annual operational plan. Sikri TVC for the Blind & Deaf is one among the Four (4) Special TVET Technical Institutions in Kenya.

It is a Government funded institution, operating under TVET Act of 2013 as from May 2015. Our mandate requires us to implement innovative solutions that offer PWD youths a chance in education and training for job market employability.

We offer competence-based skills courses at various levels; Trade, Artisan, Craft and Diploma and we target youths (both gender) with special needs and disabilities. We are proud to be a centre of excellence for Agriculture for learners with Visual and Hearing impairment among other training areas.

The institution owns its popularity and its uniqueness in admitting trainees with various impairments and disabilities which include but not limited to; Blind/Visually impaired, Deaf/Hearing impaired, Deafblind (both impairments), intellectually challenged, physically impaired and regular students at 10% of the total population of P.W.Ds as a reverse integration strategy.

As I present and provide the highlights of our excellent in FY 2018/2019 performance, it is important that I register the urgency needed for stakeholders to redefine focus and build more momentum towards inclusive training and education by eliminating access barriers for PWDs which in the long run will see special institutions like ourselves grow and compete favourably with regular technical training institutions. Our focus as a special need institution is to produce graduates who are equipped with competency based skill to meet the employability demand by industries and firms in the growing labour market in our country.

I wish to thank the Government through the Ministry of Education and other sponsors for their support especially through funding which remain crucial element in realization of our objectives, the Board of Governors whose innovativeness and sense of visionary leadership have seen us graduate from vocational training centre to a technical & vocational college and finally to my staff whose commitment to quality service delivery is evident in the FY 2018/2019 performance.

May I also state that the Board of Governance tenure in office expired in September 2018 and was extended by the MOE to 15<sup>th</sup> January 2019, the new Board of Governors were inaugurated in February 2019 and the current governors term ends in the year 2022.


The organization financial performance is detailed in our annual financial report in the bulletin. In the FY 2018/2019 the institute received equipments from the MOE; AfDB/GOK for agriculture; China/GOK- Building and civil engineering equipments.

Infrastructure wise, AfDB/GOK is constructing agriculture and mechanical workshops, two hostels for male and female students. MOE has constructed twin workshop complex with classes, library and departmental offices.

The population of students have grown so fast from one hundred and fifty seven (157) in FY 2017/2018 to six hundred and forty (640) in FY 2018/2019 and still we are anticipating upward enrolment.

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
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The BOG and management of the Institute are focused on disability mainstreaming and inclusive access for training of youths of all status among the vulnerable groups in the society

  
**Daniel Randa**  
**SENIOR PRINCIPAL/C.E.O**

SIKRI TECHNICAL TRAINING INSTITUTE  
FOR THE BLIND AND DEAF  
\* 29 AUG 2019 \*  
PRINCIPAL  
P.O. BOX 194 - 40222 OYUGIS

## **CORPORATE GOVERNANCE STATEMENT**

Sikri Technical and Vocational College for the Blind and Deaf is a registered TVET institution catering for persons with special needs in accordance with the provisions stipulated in the Technical and Vocational Education and Training Act No. 29 of 2013. The Board of Governors of Sikri technical and vocational college for the blind and deaf was constituted in accordance with the provisions in the TVET Act 2013,

### **The membership of the Board comprises of:**

- A chairperson – Dr. Christine Ogola
- A representative from the principal Secretary M.O.E. responsible for Technical and Vocational training. (County Director M.O.E State Department of Technical Education)
- And Six other members;
  1. Mr. Collins Ochieng' Agai – Financial management
  2. Mr. Evans Owiti – leadership and management
  3. Mrs. Esther Imbega – technology
  4. Eng. Andrew Tarus - engineering
  5. Madam Nancy Robi – industry
  6. Mr. Jorum Otieno – ICT
- A secretary who is the Seating Principal of the institute – Mr Daniel Randa

In the FY 2018/2019 the total numbers of full B.O.G meetings were four held on every quarterly and four board committee meetings with additional meetings held as required to address argent specific issues that may arise.

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

Succession plan: In accordance to the TVET Act 2013 in appointment and reappointing members of the B.O.Gs, the Cabinet Secretary Staggers the commencement dates of some members to maintain a proportion of new membership that ensures continuity in the affairs of the B.O.Gs. This caters for a smooth succession. The M.O.E state department of Technical training also ensures training and induction of new Board members.

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

- Role of the board of Governors
- Composition of the board
- Duties and responsibilities of the board
- Cessation of membership of the board
- Role of the chairman to the Board
- Role of individual members of the Board
- Delegation to management
- Board committees
- Conflict of interest
- Board meetings

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
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The process of appointment and removal of council members is stipulated in the TVET act 2013. Appointment of members of the Board shall take into account ethnic and gender balance, and promote inclusion of persons with disabilities, minorities and the marginalized, and ensure balanced competencies among the members. The B.O.G members are appointed by the Cabinet Secretary M.O.E.

**Roles and functions of the B.O.G.**

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

New members of the B.O.G are always inducted at the beginning of their term in office by the M.O.E State Department of Technical and Vocational Training.

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

**MANAGEMENT DISCUSSION AND ANALYSIS**

During the financial year 2018/2019 the institute received Ksh 33,067,634 from the Government for recurrent grants (Ksh 26,355,631.00) and development grants (Ksh 6,712,003.00). This was less compared to amount received in FY 2017/2018 that was Ksh 50,052,650 (recurrent grant Ksh 40,612,763.00 and development grant Ksh 9,439,887.00).

The Institute managed to raise Ksh 8,078,070 for fees, Ksh 1,149,587 from farm production unit and Ksh 73,200 from rental income from institute facilities. This was used in payment of contractor for construction of classroom complex, payment of staff salaries, purchase of tuition training materials, Purchase of boarding items for students, taking students to participate in sports activities, Purchase of stationeries, Repair and maintenance and Administration costs

**CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY  
REPORTING**

During the period the institution partnered with Associated Schools Project Network( ASPNET) Kenya Forest Services, Office of the county commissioner Homabay, the area chief and Equity Bank to plant donate two thousand tree seedlings to the community towards realization of ten percent forest cover being presidential directive and a national goal. The seedlings were produced internally by the greenbelt section of the farm department



*Principal (left photo), CMM Brothers volunteer and Ag Deputy Registrar (right photo) leading planting of trees*



*County Commissioner (left), County Director TVET (right) leading planting of trees*

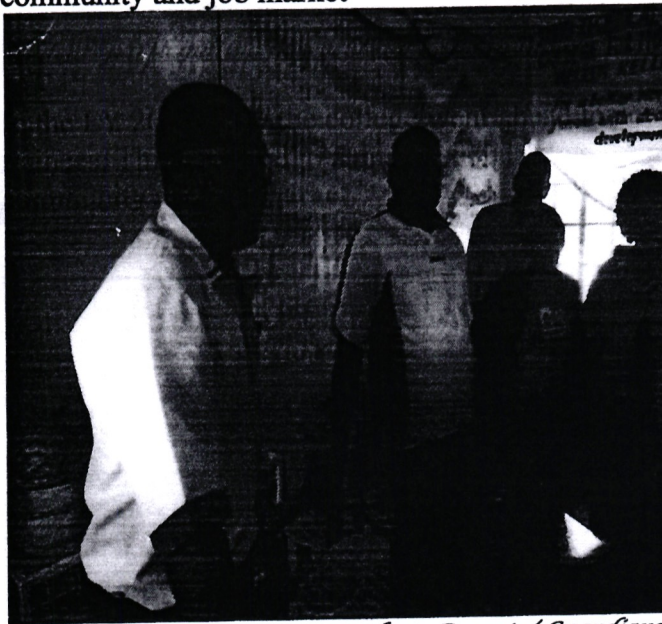
**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
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The Institute also undertook corporate social responsibility through participation in International Disability forums which include Hellen Keller day, World Sight day and World Deaf day. Through the forum we educate communities on disability inclusivity especially to education, stigmatization, available government opportunities for the PWDs



*Students participating in world sight day in October 2018 and International Disability day celebrations*

In the FY 2018/2019 the college went ahead to conduct training for forty Parents /Guardians of our SNE trainees. This is aimed to achieve social integration, inclusion, and transition of our grandaunts into the community and job market



*Students Parents/ Guardians undergoing training at the college*

Towards realization of universal health care the institution developed HIV/AIDS workplace policy and we have liaised with hospitals to provide medical services. We partnered with JAM and God Will Provide (private organizations) to provide free medical camp geared towards addressing lifestyle diseases

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
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During the financial year the college tapped talents for the surrounding community youths and trainees through friendly matches, organizing a tournament to promote local talents and participation in KETTISO Sports activities. This provided a way of promoting national cohesion and values among youth, improving self esteem & confidence and physical fitness. The Institute also provide field for community to practise and all related games during school holidays.



*Male and female teams who participated in various games during the financial year*



*Students receiving awards for good performance in the athletics*

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**REPORT OF THE BOARD OF GOVERNORS**

The Board members submit their report together with the audited financial statements for the year ended June 30<sup>th</sup>, 2019 which show the state of the *STVCBD* affairs.

**Principal activities**

The principal activities of the entity are set out on page "iii"

**Results .**

The results of the entity for the year ended June 30<sup>th</sup>, 2019 are set out on page 2

**BOARD OF GOVERNORS**

The members of the Board who served during the year are shown on page vi to x. During the Financial year 2018/2019 three directors retired and three were appointed/ Inaugurated with effect from 15<sup>th</sup> January 2019.

**The following directors retired on 30<sup>th</sup> December 2018;**

Prof. John Agak (Chairperson)  
Md. Teresa Abuya (Member)  
Bro. Leo Van De Waijer (Member)


**The following directors were inaugurated in January 2019;**

Dr. Christine Ogolla (Chairperson)  
Mr. Jorum Otieno (Member)  
Md. Nancy Robi (Member)

**Auditors**

The Auditor General is responsible for the statutory audit of the *STVCBD* in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

  
.....  
Principal/ BOG Secretary

SIKRI TECHNICAL TRAINING INSTITUTE  
FOR THE BLIND AND DEAF  
★ 29 AUG 2019 ★  
PRINCIPAL  
P.O. BOX 194 - 40222 OYUGIS

Date: 29<sup>th</sup> August, 2019

**STATEMENT OF BOARD OF GOVERNORS/ COUNCIL MEMBERS' RESPONSIBILITIES**

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

The BOG members are responsible for the preparation and presentation of the college financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year ended on June 30<sup>th</sup>, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the college; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The BOG members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in partially conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and TVET Act. The BOG members are of the opinion that the college's financial statements give a true and fair view of the state of the college's transactions during the financial year ended June 30<sup>th</sup>, 2019, and of the college's financial position as at that date. The BOG members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The STVCBD financial statements were approved by the Board on \_\_\_\_\_ 2019 and signed on its behalf by:



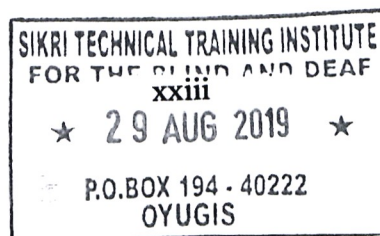
**Chairperson**



**Principal/ Secretary**

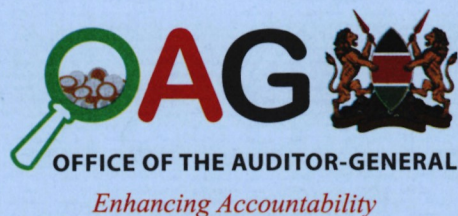


**Member**



# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF FOR THE YEAR ENDED 30 JUNE, 2019**

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Sikri Technical and Vocational College for the Blind and Deaf set out on pages 1 to 25, which comprise the statement of financial position as at 30 June, 2019, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of the Sikri Technical and Vocational College for the Blind and Deaf as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1.0 Inaccuracies in Non-Current Assets**

The statement of financial position and as disclosed in Note 19 to the financial statements reflects non-current assets balance of Kshs.106,657,000. However, biological assets, learning equipment, furniture and agriculture machines of undetermined value were not included in the assets register. Further, the assets register was not updated with details such as date of purchase or acquisition, depreciation to date, amortization to date, addition and disposals.

Consequently, the accuracy, completeness, valuation and fair presentation of non-current assets balance of Kshs.106,657,000 as at 30 June, 2019 could not be confirmed.

##### **2.0 Receivables from Exchange Transactions**

The statement of financial position and as disclosed under Note 18 to the financial statements reflects receivables from exchange transactions amount of Kshs.26,338,374. Included in the figure is an amount of Kshs.22,249,421 being balance brought forward from the previous

financial year. The detailed breakdown of the amount, relevant period it relates to and the reasons for non-recovery was not provided for audit.

Consequently, the accuracy, completeness and validity of the receivables from exchange transactions balance of Kshs.26,338,374 could not be confirmed.

### **3.0 Under-Banking of Revenue**

The statement of financial performance reflects revenue from exchange transactions amounting to Kshs.9,300,857 for the year ended 30 June, 2019. The reported revenue figure includes an amount of Kshs.762,121 which was not banked intact but was instead spent at source. This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015 which provides that all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a national government entity, shall be paid into the designated bank accounts of the national government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law.

Consequently, the accuracy and fair statements of the revenue from exchange transactions amount of Kshs.9,300,857 could not be confirmed

### **4.0 Unauthorised Reallocation of Development Funds**

The statement of financial performance reflects an amount of Kshs.6,712,004 in respect of conditional development grant from National Government for the construction of classroom complex. The amount was received by the Institute on 20 May, 2019 but later transferred from development to recurrent bank account. Management did not provide approvals for reallocating the funds from the development account to the recurrent bank account which is used for operation activities.

Consequently, the accuracy, fair statement and validity of the Kshs.6,712,004 in respect of conditional development grant could not be confirmed.

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

### **Key Audit Matters**

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis of Conclusion**

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, 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 standard requires that I plan and perform the audit to obtain assurance about whether 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 College'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 College or to cease operations.

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

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

Those charged with governance are responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how the 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 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 control 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 control 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 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 College'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 College to cease sustaining its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide 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**

**20 December, 2021**

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**IV. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019**

<b>Revenue from non-exchange transactions</b>			
Transfers from the National Government-Operational Grants	6	26,355,631	40,612,763
Transfers from the National Government-Conditional Development Grants (construction of classroom complex)	6	6,712,003	9,439,887
		<b>33,067,634.00</b>	<b>50,052,650.00</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Academic related income	7	8,078,070.00	1,536,747.00
Production Unit Income and Sale of goods	8	1,149,587.00	1,292,081.00
Rental revenue from facilities and equipment	9	73,200.00	87,150.00
		<b>9,300,857.00</b>	<b>2,915,979.00</b>
<b>Total revenue</b>		<b>42,368,491.00</b>	<b>52,968,629.00</b>
<b>Expenses</b>			
Academic Expenses (Use of goods and services)	10	29,352,091.00	25,804,152.00
Employee costs	11	9,232,804.00	6,947,391.00
Remuneration of directors	12	1,286,981.00	N/A
Depreciation and amortization expense	13	2,425,000.00	0
Repairs and maintenance	14	998,570.00	2,271,116.00
Grants and subsidies	15	7,906,259.00	11,802,152.00
Administration cost and General expenses	16	4,633,768.00	6,693,076.00
<b>Total expenses</b>		<b>55,835,473.00</b>	<b>53,517,887.00</b>
<b>Net Surplus for the year</b>		<b>(13,466,982.00)</b>	<b>(549,258.00)</b>


The notes are set out from pages 18 to 20 and form an integral part of the Annual Financial Statements.


**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**


**V. STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2019**

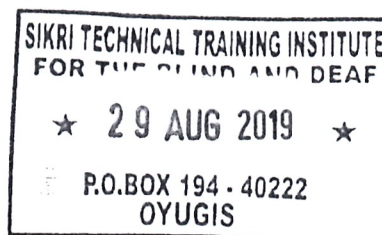
STATEMENT OF FINANCIAL POSITION AS AT 30 <sup>TH</sup> JUNE 2019			
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	4,717,596.00	16,607,954.00
Receivables from exchange transactions	18	26,338,374.00	23,814,562.00
<b>Total Current Assets</b>		<b>31,055,970.00</b>	<b>40,422,516.00</b>
<b>Non-current assets</b>			
Property, plant and equipment	19	155,254,630	108,000,000
Valuation of Biological Assets		1,082,000	0.00
<b>Total Non-current Assets</b>		<b>156,336,630.00</b>	<b>108,000.000</b>
<b>Total assets</b>		<b>187,392,600.00</b>	<b>148,422,516.00</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	20	13,785,909.00	11,028,473.00
<b>Total Current liabilities</b>		<b>13,785,909.00</b>	<b>11,028,473.00</b>
<b>Capital and Reserves</b>			
Accumulated surplus		15,927,061.00	29,394,043.00
Capital Fund		108,000,000.00	108,000,000
<b>Total Capital Fund and Accumulated surplus</b>		<b>123,927,061.00</b>	<b>137,394,043.00</b>
<b>Total Current Liabilities, Capital and Acc. Surplus</b>		<b>187,392,600.00</b>	<b>148,422,516.00</b>

The Financial Statements set out from pages 20 to 24 and are signed on behalf of the Institute Board of Governors by:

  
**Chairperson of Board of Governors**  
 Date..... 29-08-2019.....

  
**Finance Officer**  
 Date..... 30/08/2019.....

  
**Principal**  
 Date..... 29/08/2019.....



**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**


**VI. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2019**


<b>At July 1, 2017</b>	<b>29,943,301.00</b>	<b>0.00</b>	<b>29,943,301.00</b>
<b>Net Surplus (deficit) for the FY 2017/18</b>	<b>(549,258.00)</b>	<b>0.00</b>	<b>(549,258.00)</b>
<b>Valuation of Land &amp; Buildings</b>	<b>0.00</b>	<b>108,000,000.00</b>	<b>108,000,000.00</b>
<b>Balance c/d as at June 30<sup>th</sup> 2018</b>	<b>29,394,043.00</b>	<b>108,000,000.00</b>	<b>137,394,043.00</b>
<b>At July 1, 2018</b>	<b>29,394,043.00</b>	<b>108,000,000.00</b>	<b>137,394,043.00</b>
<b>Total comprehensive income during the FY2018/2019</b>	<b>(13,466,982.00)</b>		<b>(13,466,982.00)</b>
<b>Balance c/d as at 30<sup>th</sup> June, 2019</b>	<b>15,927,061.00</b>	<b>108,000,000.00</b>	<b>123,927,061.00</b>


**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**VII. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019**

	Appendix Note	2018-2019 Rupees	2018-2019 Rupees
<b>Cash flows from operating activities</b>			
<b>Inflows</b>			
Transfers from M.O.E		33,067,634	50,052,650
Rendering of services-fee from students		8,078,070	1,536,747
Production Unit income		1,149,587	1,292,081
Rental revenue from facilities & equipment		73,200	87,150
Prepaid fees received		98,556	325,300
Rent arrears received		15,650	3,000
Fee arrears received		98,700	14,000
Direct deposit		172,508	451,964
Income Generating Activities		822,500	472,616
<b>Outflows</b>			
Compensation of employees		(9,232,804)	(6,947,391)
Use of goods and services		(29,352,091)	(25,804,152)
Remuneration of Directors		(1,286,981)	
Administration Cost		(4,633,768)	(6,693,076)
Repair & Maintenance		(998,570)	(2,271,116)
Increase in payable		(2,056,083)	
<b>Net cash flows from operating activities</b>		<b>(3,984,099)</b>	<b>12,519,773</b>
<b>Cash flow from investing activities</b>			
W.I.P construction of classroom complex		(7,906,259)	(11,802,152)
<b>Net Cash flow from investing activities</b>		<b>(7,906,259)</b>	<b>(11,802,152)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(11,890,358)</b>	<b>717,621.00</b>
Cash and cash equivalents at 1 <sup>st</sup> July 2018		16,607,954	15,890,333
<b>Cash and cash equivalents at 30<sup>th</sup> June 2019</b>		<b>4,717,596.00</b>	<b>16,607,954</b>

  
 Chairperson of Board of Governors  
 Date: 27-08-2019

  
 Finance Officer  
 Date: 30/08/2019

  
 Principal  
 Date: 29/08/2019

SIKRI TECHNICAL TRAINING INSTITUTE  
 FOR THE BLIND AND DEAF  
 \* 29 AUG 2019 \*  
 P.O. BOX 194 - 40222  
 OYUGIS

**SIKRI TECHNICAL AND VOCATIONAL COLLEGE FOR THE BLIND AND DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**VIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

	2018-2019		2018-2019		2018-2019		2018-2019	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Revenue</b>								
Operational Grants from Government	40,612,760.00	0.00	40,612,760.00	26,355,631.00	14,257,129.00			
Development Grants from Government	20,000,000.00	0.00	20,000,000.00	6,712,003.00	13,287,997.00			
Rendering of services- Fees from students	9,490,000.00	0.00	9,490,000.00	8,078,070.00	1,411,930.00			
Donor Funding	2,836,331.00	0.00	2,836,331.00	0.00	2,836,331.00			
Production Unit and sale of goods	2,063,000.00	0.00	2,063,000.00	1,149,587.00	913,413.00			
Rental Income	114,000	0.00	114,000	73,200.00	40,800.00			
Leasing of facilities	100,000	0.00	100,000	0.00	100,000.00			
<b>Total income</b>	<b>75,216,091.00</b>	<b>0.00</b>	<b>75,216,091.00</b>	<b>42,368,491.00</b>	<b>32,847,600.00</b>			
<b>Expenses</b>								
Compensation of employees	8,984,556.00	0.00	8,984,556.00	9,232,804.00	248,248.00			
Academic Expenses (Use of Goods and services)	38,233,990.00	0.00	38,233,990.00	29,352,091.00	8,881,899.00			
Construction of twin Classroom Complex	20,000,000.00	0.00	20,000,000	7,906,259.00	12,093,741.00			
Administration cost	4,622,745.00	0.00	4,622,745.00	4,633,768.00	11,023.00			
Repair and Maintenance (R.M.I)	2,189,800.00	0.00	2,189,800.00	998,570.00	1,191,230.00			
Remuneration of Directors	1,185,000.00	0.00	1,185,000.00	1,286,981.00	101,981.00			
<b>Total expenditure</b>	<b>75,216,091.00</b>	<b>0.00</b>	<b>75,216,091.00</b>	<b>55,835,473.00</b>	<b>19,380,618.00</b>			
<b>Surplus for the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,466,982.00</b>	<b>13,466,982.00</b>			

**Budget notes**

1. The Institute did not receive Quarter three and four operational grant as at 30<sup>th</sup> June 2019 as anticipated thereby creating the difference of Ksh 14,257,129.00
2. The Institute did not receive Quarter three and four development grant as at 30<sup>th</sup> June 2019 as anticipated thereby creating the difference of Ksh 13,287,997.00
3. The Institute did not receive donor funding as planned thereby leading to performance difference of Ksh 2,836,331.00

# SIKRI TECHNICAL AND VOCATIONAL TRAINING COLLEGE FOR THE BLIND AND DEAF

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019

### IX. NOTES TO THE FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

STVCBD entity is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is 'iii'

#### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment. The preparation of financial statements in partial conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the STVCBD 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.

The financial statements have been prepared and presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the STVCBD. The amounts have been rounded off to the nearest shilling.

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

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

##### i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2019

Standard	Impact
<b>IPSAS 40:</b> Public Sector Combinations	<b>Applicable: 1<sup>st</sup> January 2019</b> The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non exchange transactions are covered purely under Public Sector combinations as amalgamations.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3 ADOPTION OF NEW AND REVISED STANDARDS (Continued)**

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2019**

<b>Standard</b>	<b>Effective date and impact:</b>
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2022:</b> The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between STVCBD's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1<sup>st</sup> January 2022</b> The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by STVCBD;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on STVCBD's financial performance, financial position and cash flows.</li> </ol>

**SIKRI TECHNICAL AND VOCATIONAL TRAINING COLLEGE FOR THE BLIND AND DEAF**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2019**

**iii. Early adoption of standards**

*STVCBD has not earlier adopted hence not applicable*

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**ii) Revenue from exchange transactions**

**Academic Income/ Rendering of services**

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

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

**Production Unit/ Sale of goods**

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

**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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Budget information

The original budget for FY 2018/2019 was approved by the Board of Governors on 14<sup>th</sup> of June 2018.

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

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

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

c) Taxes

*Current income tax*

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

c) Taxes (continued)

*Sales tax/ Value Added Tax*

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

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

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

*This is not applicable to STVCBD*

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Investment property**

P

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 *twenty* years.

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

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

*This is not applicable to STVCBD*

**e) Property, plant and equipment**

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

**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 the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

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

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

*This is not applicable to STVCBD*

**g) Intangible assets**

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

*This is not applicable to STVCBD*

**h) Research and development costs**

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

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

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

*This is not applicable to STVCBD*

**i) Financial instruments**

***Financial assets***

***Initial recognition and measurement***

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

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or an entity 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 the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

***Impairment of financial assets (Continued)***

- The debtors or a entity 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. The Entity determines the classification of its financial liabilities at initial recognition.

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

***Loans and borrowing***

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

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

*This is not applicable to STVCBD*

**j) Inventories**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) 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 STVCBD.

**l) Provisions**

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

Where STVCBD expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

***Contingent liabilities***

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

***Contingent assets***

STVCBD does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m) Nature and purpose of reserves**

STVCBD creates and maintains reserves in terms of specific requirements and maintains capital and revaluation reserves.

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

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

**o) Employee benefits**

**Retirement benefit plans**

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

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

**p) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**q) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**r) Related parties**

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

**s) Service concession arrangements**

STVCBD analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, STVCBD recognizes that asset when, and only when, it controls or regulates the services. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, STVCBD also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**t) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held 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 institute staff/ officers which were not surrendered or accounted for at the end of the financial year.

**u) Comparative figures**

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

**v) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2019.

## **5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

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

### **Estimates and assumptions**

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

### **Useful lives and residual values**

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

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

### **Provisions**

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

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

**6 TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES**

6 TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES		
<b>Unconditional grants</b>		
Operational grant	26,355,631	40,612,763
<b>Conditional grants</b>		
Construction of twin classroom complex	6,712,003	9,439,887
<b>Total government grants and subsidies</b>	<b>33,067,634</b>	<b>50,052,650</b>

*N.B The Institute received Ksh 20,306,382.00 for Operational grant Ksh.13,594,378.00 and development grant Ksh 6,712,004.00 from the Government on 10<sup>th</sup> July 2019 (see appendix III & IV)*

**7 RENDERING OF SERVICES: ACADEMIC INCOME**

7 RENDERING OF SERVICES: ACADEMIC INCOME		
Fees from students and income related to fees	8,078,070	1,536,747
<b>Total revenue from the academic Income</b>	<b>8,078,070</b>	<b>1,536,747</b>

The college had an increase in number of student population from 157 in FY 2017/2018 to 640 in FY 2018/2019. Fee collection was boosted by Sponsors, development partners and well wishers who assisted in paying student fees these includes; AfDB (Ksh 3,659,400), CDF bursaries (Ksh 1,063,500), and Visky organization (Ksh 747,000), V.S.O and many others (see appendix III)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 PRODUCTION UNIT (SALE OF GOODS)

Sale of farm produce	1,149,587	1,292,082
<b>Total revenue from the sale of goods</b>	<b>1,149,587</b>	<b>1,292,082</b>

*The Institute raised this revenue from dairy milk production, Henhouse egg sales, harvesting of produce from the farm, workshop sales among other department (see appendix V)*

9 RENTAL REVENUE FROM FACILITIES AND EQUIPMENT

Income received during the financial year	73,200	87,150
<b>Total rentals</b>	<b>73,200</b>	<b>87,150</b>

*The Institute raised this from eight teaching staff houses and five non teaching staff houses (see appendix III)*

10 ACADEMIC EXPENSES (USE OF GOODS AND SERVICES)

Training Related Expenses	29,352,091	25,804,152
<b>Total good and services</b>	<b>29,352,091</b>	<b>25,804,152</b>

*This includes Tuition(S.E.S) Boarding (B.E.S), L.T.&T, Sports Medical costs, E.W.&C, Parents training, Examination, accommodation and many others (see appendix III)*

11 EMPLOYEE COSTS

Salaries and wages	9,232,804	6,947,391
<b>Employee costs</b>	<b>9,232,804</b>	<b>6,947,391</b>

*This includes salaries paid to the 28 BOG staff and 23 contracted staff for the twelve months under review. (see appendix III)*

12 REMUNERATION OF DIRECTORS/ BOG

Chairman's Honoraria	223,337	
Directors emoluments	831,300	
BOG PAYE Expenses	232,344	
<b>Total director emoluments</b>	<b>1,286,981</b>	

*(see appendix III)*

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**13 DEPRECIATION AND AMORTIZATION EXPENSE**

Depreciation of Buildings	2,425,000	N/A
<b>Total depreciation and amortization</b>	<b>2,425,000</b>	<b>N/A</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**14 REPAIRS AND MAINTENANCE**

Equipment and machinery repairs	998,570	2,271,116
<b>Total repairs and maintenance</b>	<b>998,570</b>	<b>2,271,116</b>

*(see appendix III)*

**15 GRANTS AND SUBSIDIES**

Construction of Classroom complex exps	7,906,259	11,802,152
<b>Total grants and subsidies</b>	<b>7,906,259</b>	<b>11,802,152</b>

*(see appendix IV)*

**16 ADMINISTRATION & GENERAL EXPENSES**

Administration cost	4,633,768	6,693,076
<b>Total general expenses</b>	<b>4,633,768</b>	<b>6,693,076</b>

*(see appendix III)*

**17 CASH AND CASH EQUIVALENTS**

Current account Bank Balance	4,609,943	16,145,100
Cash on Hand Balance	107,653	462,854
<b>Total cash and cash equivalents</b>	<b>4,717,596</b>	<b>16,607,954</b>

*These amounts agree with the closing and opening balances as included in the statement of cash flows*

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

<b>a) Current account</b>			
Kenya Commercial bank- Recurrent /Main	1101985127	888,501	11,735,072
Kenya Commercial bank- Development	1136587330	17,641	1,211,897
Co-operative Bank (I.G.A)	01129455730200	3,699,235	3,193,565.00
Equity Bank( Sch. Fund)	0263365733	4,566	4,566.00
<b>Sub- total</b>		<b>4,609,943</b>	<b>16,145,100</b>
<b>b) Others</b>			
Cash in hand- Main	N/A	37,934	218,860
Cash in hand- Development	N/A	14,360	14,320.00
Cash in hand-IGA	N/A	641	224,956.00
Cash in hand- School Fund	N/A	4,718	4,718.00
<b>Sub- total</b>		<b>107,653</b>	<b>462,854</b>
<b>Grand total</b>		<b>4,717,596</b>	<b>16,607,954</b>

(see appendix III, IV, V & VI)

**18 RECEIVABLES FROM EXCHANGE TRANSACTIONS**

<b>Current receivables</b>		
Student debtors 2016/2017	652,418	652,418
Student debtors 2017/2018	315,200	886,598
Student debtors 2018/2019	2,972,265	0.00
Rent debtors 2016/2017	5,500	5,500
Rent Debtors 2018/2019	37,600	0.00
Dairy milk debtors 2016/2017	20,625	20,625
Dairy milk debtors 2018/2019	17,125	0.00
Henhouse egg debtors 2018/2019	68,220	0.00
Debtors B/F	22,249,421	22,249,421
<b>Total current receivables</b>	<b>26,338,374</b>	<b>23,814,562</b>

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**19 PROPERTY, PLANT AND EQUIPMENT**

At 1 July 2018	11,000,000	97,000,000		108,000,000
Disposals	0	0		0
At 30 <sup>th</sup> June 2018	0	0		0
Additions	11,000,000	97,000,000	49,679,630	157,679,630
At 30 <sup>th</sup> June 2019	11,000,000	97,000,000	49,679,630	157,679,630
<b>Depreciation and impairment</b>				
Depreciation	0	2,425,000		2,424,000
At 30 <sup>th</sup> June 2019	0.00	2,425,000		2,425,000
<b>Net book values</b>				
At 30 <sup>th</sup> June 2019	11,000,000	94,575,000	49,679,630	155,254,630
At 30 <sup>th</sup> June 2018	11,000,000	97,000,000		108,000,000

The Institute depreciation rate is as follows:

Land	0%
Buildings	2.5%
Borehole	2.5%
Vehicles	25%
W.I.P	0%
Computers	30%
Plant and Machinery	12.5%
Furniture and Fittings	12.5%
Library	30%
Software	30%

**N/B**

The items of P.P.E listed in appendix VII have not been valued and therefore can't be included in the Financial Statements as we were on first time adoption in compliance with IPSAS 33

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

Creditors for 2018/2019	5,263,595	0.00
Fees paid in advance	582,900	0.00
Trade Payables 2016/2017	0.00	259,930
Trade payables 2017/2018	0.00	1,442,823
Direct deposits 2016/2017	34,000	34,000
Direct deposits 2017/2018	279,933	302,464
Direct deposits 2018/2019	165,475	0.00
Fee paid in advance	9,700	9,700
Fee paid in advance 2017/2019	0.00	325,300
Prepaid Rent	5,500	5,500
Creditors B/F	7,444,806	8,648,756
<b>Total trade and other payables</b>	<b>13,785,909</b>	<b>11,028,473</b>

**21 EVENTS AFTER THE REPORTING PERIOD**

The Institute received Ksh 20,306,382.00 for Operational grant (Ksh.13,594,378.00) and development grant (Ksh 6,712,004.00) from the Government on 10<sup>th</sup> July 2019. This being Income for the third and fourth quarter for the FY 2018/2019 as per the circular received of the same.

**22 ULTIMATE AND HOLDING ENTITY**

The Sikri Technical & Vocational College for the Blind and Deaf is a Semi- Autonomous Government Agency under the Ministry of Education, State Department of TVET. Its ultimate parent is the Government of Kenya.

**23 Currency**

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

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**APPENDIX I: PROJECTS IMPLEMENTED BY THE ENTITY**

**Projects.**

Projects implemented by the SAGA Funded by Government is

1. Construction of classroom complex		GOK	4yrs	N/A	N/A (Govt funded 100%)	Yes

**N/B**

*The Institute only has one project being funded by the GOK during the financial year by development grants*

**Status of Projects completion**

1	Construction of classroom complex	53,999,410/=	49,679,630/= (payment till tenth certificate)	92%	53,999,410/=	49,679,630/=	GOK