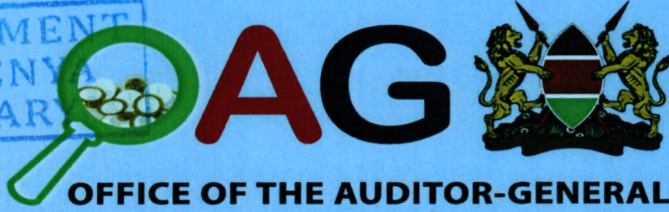


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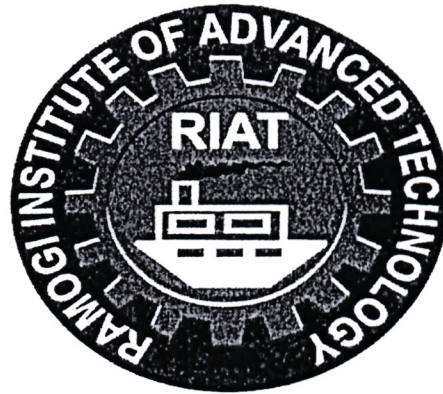
TABLED BY: Hon. Owen Bayo MP
Deputy leader, Majority
Moses Lemuna
CLEAN AT THE TABLE

THE AUDITOR-GENERAL

ON

**RAMOGI INSTITUTE OF ADVANCED
TECHNOLOGY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30, JUNE 2021

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

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

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Vision

To be a leader in quality training that responds to the vocational and technological needs of the local and global society

Mission

To produce quality skilled and self-driven technical and vocational graduates with innovative and creative competencies relevant to industrial development.

(c) Key Management

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

- Principal
- Deputy Principals
- Registrar
- Dean of students
- Industrial Liaison Officer
- Heads of Departments
- Finance Officer
- Procurement Officer
- Human Resource Officer
- Established committees -Academic committee, Disciplinary committee, Guidance and counselling committee, Time-Table committee and Boarding committee

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Maren Omondi
2.	Deputy Principal Administration	Lynnete Odhiambo
3	Deputy Principal Academics	David Omondi
4	Registrar	George Olero
5	Dean of Students	Grace Titi
6	Finance Officer	George Odero
7	Procurement Officer	Clare Obuolo

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

Ramogi Institute of Advanced Technology (RIAT) was established in 1976. It is one of the pioneer technical training institutions started through community initiatives. RIAT is a public TVET institution under the Ministry of Education, State Department of Technical, Vocational Education and Training. The Institute is mandated to equip artisans, technicians and technologists with relevant skills for the job market. In accordance with the Technical Vocational Education and Training (TVET) Act 2013, there is a Board of Governors in place appointed by the Cabinet Secretary, Ministry of Education to provide oversight role to management. The Principal who is the Secretary to the Board is assisted by the Deputy Principals, Dean of Students and Registrar in the day-to-day running of the Institute. The staffing position stands at 131 trainers and 54 non-teaching staff.

Over the years, RIAT has experienced tremendous growth with the current total enrolment of 5594 students. Currently, RIAT has 9 academic departments, i.e. Electrical and Electronics engineering, Mechanical Engineering, Business Studies, Building and Civil Engineering, Hospitality and Institutional Management, Information and Communication Technology, Health Sciences, Agriculture and Environmental Studies, and Liberal Studies. Courses offered are at artisan, certificate and diploma levels, and exams offered are by KNEC and NITA. CBET curriculum is also offered examined by CBET CDACC.

(b) Principal Activities

The core mandate of RIAT is to equip youths with relevant skills necessary for the country's industrialization. The Institute provides vocational and technical training for self-reliance to graduates of secondary and primary schools to enable them enter the global world of work.

Objectives of RIAT are:

1. To produce graduates who are knowledgeable, skilled and competent human resource
2. To extend technological solutions through research in appropriate and emerging technologies
3. To promote technology through linkages with institutions and the community
4. To expand and harness use of ICT in service delivery
5. To exploit the potential of the Institutes' incubator facilities to stimulate a work situation for our graduates that will equip them with skills to meet challenges of the industry
6. To promote and maintain a qualified workforce

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(e) Fiduciary Oversight Arrangements

The following Board committees were in place

- i. **Audit and Risk committee activities;** that deals with all legal and financial matters of the Institute and ensure compliance to all statutory and legal requirements

No	Name	Position
1	Rose Omollo	Chairperson
2	Esther Njoki Chege	Member
3	Internal Auditor	Member

ii. **Finance, Infrastructure and Resource Mobilization Committee**

No.	Name	Position
1	Mohammed H. Rana	Chairperson
2	Eng. James K. Opindi	Member
3	Mary A. Onyango	Member
4	Maren Omondi	Secretary/Principal
5	Fanuel O. Onyango	County Director TVET

- iii. **Education, Research and Training Committee** which guides the Institute to meet its strategic aims and objectives in relation to education, research and training activities.

No.	Name	Position
1	Eng. James K. Opindi	Chairperson
2	Gladys Asewe	Member
3	Maren Omondi	Secretary/Principal
4	Fanuel O. Onyango	County Director TVET

- iv. **Human Resource and Planning Committee** which deals with all matters related to human resource including Scheme of Service for BOG staff

No.	Name	Position
1	Gladys Asewe	Chairperson
2	Mohammed H. Rana	Member
3	Maren Omondi	Secretary/Principal
4	Fanuel O. Onyango	County Director TVET

KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Institute Headquarters

P.O. Box 1738-40100
Off Kisumu-Kakamega Road
Kisumu, Kenya.

(g) Institute Contacts

Telephone : (254) 0734251622/0734257622
E-mail: riatcollege2015@gmail.com
Website: ramogiinstitute.ac.ke

(h) Institute Bankers

National Bank of Kenya
P.O. Box 1152-40100
Kisumu.

Co-Operative Bank of Kenya
P.O. Box 1511-40100
Kisumu.

(i) Independent Auditors



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

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(j) Principal Legal Adviser




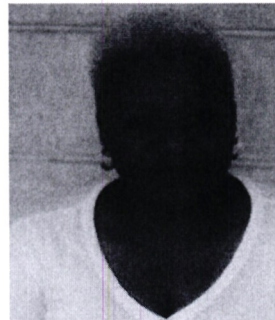
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. THE BOARD OF GOVERNORS

No.	Member	Details
1	 <p>Dr. Lily Kisaka Chair Lady</p>	<p>Year of birth 1971</p> <p>Dr. Lily Kisaka holds a PhD In Agricultural Economics and post graduate diploma in planning and management of development projects. Senior operations officer, East African Community-Lake Victoria basin commission National project Coordinator, Nile basin initiative, Program Manager, Community action for rural development Lecturer Bukura Agricultural College Divisional agriculture and livestock extension coordinator, Ministry of Agriculture, Kenya</p>
2	 <p>MAREN OMONDI (MRS) BOARDSECRETARY</p>	<p>Year of Birth:1962</p> <p>Maren Omondi holds Masters in Guidance and Counselling and a Diploma in Business Management. She is the current Principal Ramogi Institute of Advanced Technology from 2019 to date. Principal Shamberere TTI from 2015-2019, Principal Baringo Technical College 2012-2015, Principal Moi Institute of Technology2009- 2012, Senior lecturer RIAT 1992-2009, Teacher Orero Boys High School 1990-1991 and teacher at Nyabola Girls SDA School 1987-1989.</p>
3	 <p>Hanif M. Rana</p>	<p>Year of birth 1959</p> <p>Holder of Master of Science in Health services and BA Mathematics. He is the Director OSIRIS technology and services and Chairperson Finance infrastructure and resource mobilization committee</p>



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4		<p>Rose Auma Omolo</p>	<p>Year of Birth 1968 Holder of BA Administration (Finance) and works at KEMRI as an accountant. She is the Chairperson Audit and risk committee</p>
5		<p>ESTHER NJOKI CHEGE</p>	<p>Year of birth 1959 Holder of LL. B (HONS), Diploma in law, advocate of high court of Kenya. Practicing advocate and commissioner of oaths</p>
6		<p>Mary A. Onyango</p>	<p>Year of birth 1993 Holder of BSC- Water and environment engineer. Associate water engineer-living water services</p>
7		<p>Gladys J. Asewe</p>	<p>Year of Birth 1969 MBA in strategic Management. Private management consultant and a HR and admin manager (rods and steel ltd). Chairperson Human resource and planning committee</p>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY




ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8	<p>James Caleb K. Opindi</p> 	<p>Year of Birth 1951</p> <p>Bsc Mech. Eng(Hons.) University of Nairobi General Manager Weld Con Ltd Mombasa Kenya, Project Manager /General Manager African Gas and Oil Company Ltd (AGOL) Mombasa Kenya, Project Manager then CEO Navgas Ltd, Lagos ,Board Member Mumias Sugar Company, Chairperson Education, research and training committee</p>
9	<p>Fanuel Onyango</p> 	<p>Year of Birth:1962</p> <p>MBA: (HRM) Kenyatta University BED: (Business Studies) Kenyatta University</p> <p>County Director TVET – Kisumu and Siaya Counties. He has a wealth of experience in Education Management and has served as Principal and Deputy Principal, in various institutions. He has been a Dean of Students, Head of Department, Teacher Trainer in a Diploma College, Lecturer, and teacher in High School. He has done work for Kenya National Examinations Council (KNEC) and has also been involved in Curriculum Development & Consultancy in small and medium-sized enterprises.</p>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

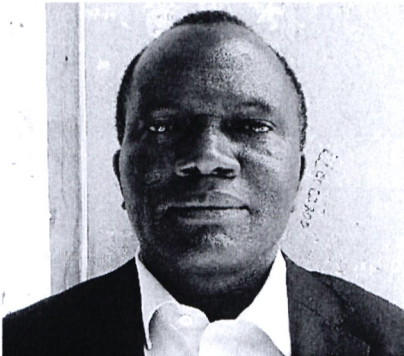



ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

III. MANAGEMENT TEAM

No.	Member/ Director	Details
1	 <p data-bbox="655 342 1002 409">MRS. MAREN OMONDI PRINCIPAL</p>	<p data-bbox="1031 342 1477 958">Maren Omondi is the Principal, RIAT. She has vast experience in management of TVET institutions with over 11 years' experience as Principal. Before becoming a principal, Mrs Omondi held different administrative positions including head of department, and guidance and counselling coordinator. In addition to this practical experience, she holds a Masters degree in Guidance and Counselling, Bachelor of Education, Diploma in Business Management, and management courses from Kenya School of Government (SMC and SLDP)</p>
2	 <p data-bbox="679 1003 1002 1144">MRS. LYNETTE ODHIAMBO DEPUTY PRINCIPAL - ADMINISTRATION.</p>	<p data-bbox="1031 1003 1473 1402">Key Qualifications: B.Ed. Arts Literature and Linguistics Mrs Odhiambo joined TVET in the year 2004 from secondary Education teaching. She served at the Kisumu National Polytechnic both as a trainer and Head of Department before being deployed to RIAT as the Deputy Principal in charge of Administration in 2019.</p>
3	 <p data-bbox="679 1447 1002 1547">MR. DAVID OMONDI DEPUTY PRINCIPAL – ACADEMIC</p>	<p data-bbox="1031 1447 1457 1877">Key Qualifications: B.ED. Botany/Zoology He joined TVET in 2008 after having taught in two secondary schools. He is quite conversant with ISO 9001 quality management systems having served as a Management Representative (MR) at the Sigalagala National Polytechnic. He was deployed to RIAT in 2020.</p>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4		MR. GEORGE OLERO REGISTRAR	Key Qualifications: B.Ed Technology- Mr Olero is a trainer in the Building and Civil Engineering Department
5		MS. GRACE TITI DEAN OF STUDENTS	Key Qualifications: M.A in Design
6		MR. GEORGE ADERO FINANCE OFFICER	Key Qualifications: CPA-K
7		MS. CLARE OBWOLO PROCUREMENT OFFICER	Key Qualifications: Diploma in Purchasing and Supply Management

IV. CHAIRPERSON'S STATEMENT



On behalf of the Board of Governors of RIAT and the entire RIAT fraternity, it is my pleasure to make this statement. The Annual Report and Financial Statement for the year ended 30 June 2021 is presenting us with an opportunity to reflect on our past achievements and at the same time to plan for the future as an institution. The Board, through its four Board Committees, continued to exercise its oversight role and providing strategic direction to the Institute in line with the TVET Act 2013, Mwongozo guidelines, Government circulars and directives issued from time to time.

The Board remains focused on its mandate in regard to addressing the country's TVET agenda, to contribute in making TVET attractive. The Institute embraces fully the government's vision on Technical Training as envisioned in Vision 2030, Big 4 Initiative AU Agenda 2063 and COVID19 Protocols. The Board and management's focus is on the Institute's goal which is to

Produce highly trained technical graduates who will contribute to Kenya's nation building efforts in the area of industrial and commercial development, while at the same time providing the necessary man power for global development. RIAT's vision is to be a leader in quality training that responds to the vocational and technological needs of the local and global society.

Significant reforms by the government in TVET through improvement of infrastructure, introduction of capitation, provision of loans and bursaries to TVET trainees by Higher Education Loans Board (HELB), placement by Kenya Universities and Colleges Central Placement Services (KUCCPS) and recruitment of trainers by the Public Service Commission have resulted in high trainee enrolment and improved image of TVET

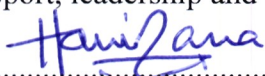
The Institute boasts of strong linkages and collaborations with several partners and stakeholders. The programmes are: a) ENABLE (Empowering Novel Agri-Business Led Employment; b) Associated Schools Project Network (ASPNET) by UNESCO; (c) GIZ Youth for Employability Skills Project, d) GIZ – Skills Initiative for Africa – ATVET for Women (d) Commonwealth of Learning, and (e) MASHAV, Embassy of Israel, and (f) East African Aquaculture Project (True Fish).

The major challenge the Institute faces concerns the Institute's land. It is important to note that some of the individuals, whose parcels of land were acquired and paid for by RIAT, later sold the same parcels to others, creating a series of land wrangles currently facing the institution. In addition, land dispute between RIAT and KALRO emanating from KALRO's illegal grabbing of the Institute's land meant for expansion of training programmes remains unresolved to date.

Other challenges are:

- a) Inadequate boarding facilities,
- b) Inadequate training facilities and equipment,
- c) lack of a library and
- d) Inadequate human resources.

The government continues to put in place measures to mitigate these challenges although not at a pace commensurate to the rising number of trainees. I take this opportunity to acknowledge the commitment and contribution of my fellow Board members during the year under review and thank the Principal, Mrs Maren Omondi, her management team and staff for their continued improved performance. I also laud the students and Parents for continued support and cooperation with the Institute and extend my appreciation to the Ministry of Education, State Department of Vocational and Technical Training for the continued support, leadership and guidance

for 

Dr, Lily Kisaka

V. REPORT OF THE PRINCIPAL



The Institute's mandate and core activities are anchored in the Technical Vocational and Education Act 2013. The Institute's functions include equipping trainees with quality and relevant training that make them job creators and not job seekers. The Institute is responsible for creation of interventions to increase access to TVET and to also improve its image.

Achievements

Under the able strategic leadership and guidance of the Board, the management and staff of the Institute managed to accomplish various targets that were set in the financial year 2020/2021: The period under review also saw achievement in the following areas:

- Increase in trainee enrolment from 4227 to 5594 which represents 32% increase.
- Completion of modern gate,
- Completion of the ladies' hostel,
- Concrete block (Cabros) paving of the main entry and exit streets,
- Construction of hand washing points in line with WHO COVID19 Protocols,
- Planting of over 10,000 trees in line with government directive on improvement of forest cover,
- Expansion of fish ponds,
- Embracing Open Distance Learning (ODEL) - acquisition of a learning management system to facilitate online teaching and learning, acquisition of unlimited four zoom licenses for online meetings and teaching and training,
- Installation of Quality Management System (QMS),
- Introduction of CBET programmes,
- Installation of four additional CCTV Cameras,
- Introducing MPESA Pay bill for fee payment,
- Conducted customer's satisfaction surveys, Training Needs Analysis, Skills Gap Analysis,
- ISMS implementers training
- Fencing of the compound.

RIAT continues to enjoy cordial relationship with the community. The past year has seen RIAT collaborating with the GIZ, IFAD in areas of horticulture, Aquaculture, Solar PV installation and Pastry making. As part of corporate social responsibility, the Institute donated hand washing machines, and face masks to the community to help fight COVID-19.

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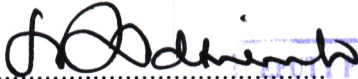
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Challenges

The following continue to remain a challenge to the Institute: -

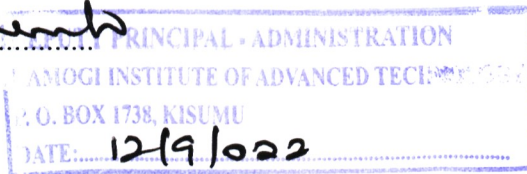
- The staff shortage occasioned by increased enrolment impacting negatively on service delivery.
- Inadequate infrastructure (classrooms, workshops, laboratories and other facilities).
- COVID 19 pandemic that has led to abrupt closure of the Institute in March 2021 and disruption of activities.

I am sincerely grateful to the Ministry of Education, State Department of Vocational and Technical Training for the support given to the Institute in the financial year 2020/2021. My appreciation also goes to the Board of Governors for the dedication, support and guidance provided during the year; and to the staff for their teamwork and cooperation that led to the realization of the Institute's mandate. The intention is to consolidate all the gains made so far, find ways around existing and future challenges and continuously improve our performance by ensuring compliance with the statutory and regulatory obligations for improved service delivery.



Maren Omondi (Mrs)

PRINCIPAL



RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

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VI. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

RIAT has 8 strategic pillars and objectives within its Strategic Plan for the FY 2020/2021. These strategic pillars are as follows:

- i. Access and equity for both gender
- ii. Institutional corporate governance/Management strengthening
- iii. ICT Infrastructure, Equipment and Technology
- iv. Research and Development
- v. Resources (funds and human)
- vi. Communication and public relations (Recognition)
- vii. Collaboration and linkages.
- viii. Physical Infrastructure

RIAT develops its annual work plans based on the above 8 pillars. Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The Institute achieved its performance targets set for the FY 2020/2021 period for its 9 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
i. Access and equity for both gender	Enhance Access and equity	➤ Increased enrolment of female trainees in SET	Promote affirmative action	➤ Increased female enrolment in Science Engineering Technology from 1213 to 1400.
		➤ Equipping of workshops	Expand facilities based on government priorities 26	➤ Air conditioning and refrigeration workshop constructed.

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		<ul style="list-style-type: none"> ➤ Introduction of ODcL/FaB 	<ul style="list-style-type: none"> ➤ Offer short flexible programmes for increased access ➤ Support TVET trainees ➤ Promote affirmative action for TVET trainees 	<ul style="list-style-type: none"> ➤ Industrial attachment of 1200 trainees. ➤ Incorporated UHC and drug and substance abuse into guidance and counselling department.
		<ul style="list-style-type: none"> ➤ Introduction of CBET Programmes. 	<ul style="list-style-type: none"> ➤ Reform and enhance education, training and guidance services Improve training programmes in MSE sector. 	<ul style="list-style-type: none"> ➤ Solar PV training for ladies.
ii. Institutional corporate governance/Management strengthening	Improve RIAT institutional corporate governance	Development and implementation of internal policy guidelines, embrace results based management in the Institution, implementation of ISO, M&E tools, 2020/2021 reviewed budgets	<ul style="list-style-type: none"> ➤ Develop/Review and implement institutional policies, strategies and programmes (HIV/AIDS, drug abuse, health and safety, and environmental awareness) ➤ Embrace result based management in the training system ➤ Meet ISO 	<ul style="list-style-type: none"> ➤ Board Charter and all required policies developed ➤ ISO 9001: 2015 initiated

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			<ul style="list-style-type: none"> ➤ certification requirements ➤ Develop and implement M&E systems ➤ Maintain pending bills to less than zero (0) 	
iii. ICT infrastructure, Equipment and Technology	Promote effective integration of ICT	Training of staff in ICT, online teaching and learning, implementation of MIS	<ul style="list-style-type: none"> ➤ Develop adequate ICT capacity and infrastructure ➤ Institutionalise Management Information System (MIS) ➤ Promote the use of ICT in Curriculum delivery and management systems ➤ Develop an ICT Policy 	<ul style="list-style-type: none"> ➤ Staff trained on MIS, ➤ MIS software procured, ➤ Online classes introduced, ➤ Smart class rooms equipped.
iv. Research and Development	Institutionalize effective research and development	<ul style="list-style-type: none"> ➤ Innovation exhibits, participation in TVET Fairs/exhibitions. 	<ul style="list-style-type: none"> ➤ Develop mechanisms for Innovations, R&D collaboration among TVET institutions. ➤ Promote the 	<ul style="list-style-type: none"> ➤ Exhibits developed for TVET Fair, ➤ Developed foot operated hand washing machine

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			<p>use of research results in technology development and transfer</p> <ul style="list-style-type: none"> ➤ Develop Innovations, and R&D infrastructure to include intellectual property right. ➤ Promote Innovations among students and staff 	
v. Resources (funds and human)	Diversify sources and increase funding	<ul style="list-style-type: none"> ➤ Income generating activities ➤ Fish ponds. ➤ Rental income. ➤ Asset hair, etc. 	<ul style="list-style-type: none"> ➤ Increased GoK capitation by increasing enrolment. ➤ Exploit external funding possibilities through proposal writing ➤ Develop competencies in staff to do research and development. 	<ul style="list-style-type: none"> ➤ Increased capitation, ➤ Developed funding proposals, ➤ Increased acreage cultivated at Kibos farm,
vi. Communication and public relations (Recognition)	To develop an effective and efficient communication system internally and externally at all levels and to enhance the image and visibility of RIAT	<ul style="list-style-type: none"> ➤ Corporate Social Responsibility. 	<ul style="list-style-type: none"> ➤ Improve the image of TVET through RIAT. 	<ul style="list-style-type: none"> ➤ Participated in community activities, ➤ Participated in sports, ➤ Collaboration with the County government.
vii. Collaboration and linkages	Enhanced linkages collaboration and partnership	<ul style="list-style-type: none"> ➤ Signing of MOUs/MOAs, community 	<ul style="list-style-type: none"> ➤ Establish collaborations and 	<ul style="list-style-type: none"> ➤ ENABLE (Empowering Novel

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		<p>trainings,</p>	<p>linkages</p> <ul style="list-style-type: none"> ➤ Strengthen existing collaboration and linkages Establish benchmarks and joint cooperation networks with local and international TVET Institutions 	<p>Agri-Business Led Employment;</p> <ul style="list-style-type: none"> ➤ Associated Schools Project Network (ASPnet) by UNESCO; ➤ GIZ Youth for Employability Skills Project, GIZ – Skills Initiative for Africa – ATVET for Women ➤ Commonwealth of Learning, ➤ MASHAV, Embassy of Israel, and ➤ East African Aquaculture Project (True Fish).
<p>viii. Physical Infrastructure</p>	<p>Upgrade infrastructure</p>	<ul style="list-style-type: none"> ➤ . Reviewed master plan, improved TVET equipment, improved information and communications systems 	<ul style="list-style-type: none"> ➤ Develop a framework for improving and increasing physical facilities ➤ Improve TVET equipment, information and communication systems 	<ul style="list-style-type: none"> ➤ Installed ERP database ➤ Construction of New gate ➤ Construction of Ladies hostels ➤ Renovation of the kitchen ➤ Fencing of the Institution ➤ Renovation of the hostels ➤ Laying of concrete blocks (Cabros) on the main entry and exit roads

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

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VII. CORPORATE GOVERNANCE STATEMENT

RIAT Board of Governors (BOG) operates in accordance with TVET ACT 2013; the Board of Governors meets at least once every four months. Every meeting of the Board of Governors is convened by giving at least fourteen days' notice in writing to every member unless three quarters of the total members of a Board of Governors otherwise agree. The chairperson of a Board of Governors may, on his own motion or upon requisition in writing by at least five members of the Board, convene a special meeting of the Board of Governors at any time for the transaction of specific business. In the last one year, RIAT Board of Governors has held 6 meetings with attendance as indicated below:

S.No	Name	No of Meetings	Actual meetings attended	No of meetings missed
1	Dr. Lily Kisaka	6	6	0
2	Hanif Rana M.	6	6	0
3	Eng. James Opindi	6	5	1
4	Eng. Mary Onyango	6	6	0
5	Rose Omolo	6	5	1
6	Esther Chege	6	3	3
7	Maren Omondi	6	6	0
8	Gladys Asewe	6	6	0
9	County Director (Fanuel Onyango and Joseph Sunguti)	6	6	0

The Board of Governors consists of nine members appointed by the Cabinet Secretary. The membership of the Board of Governors comprises—

- (a) A chairperson;
- (b) A representative of the Principal Secretary in the Ministry responsible for technical and vocational training;
- (c) A representative of the county Governor of the county within which the institution is located; and
- (d) Six other persons appointed on the basis of their knowledge and experience in—
 - (i) Leadership and management;
 - (ii) Financial management;
 - (iii) Technology;
 - (iv) Industry;
 - (v) Engineering;
 - (vi) Information communication technology.

The appointment of a member to a Board of Governors or to its committees may be revoked and the member may vacate office if the member

- (a) Resigns by giving notice in writing to the cabinet Secretary; the person shall cease to be a member of the Board from the date specified in the notice.
- (b) Becomes insolvent or has conveyed or assigned his property or has made a proposition or arrangement for the benefit of his creditors;
- (c) Is sentenced by a court of law to imprisonment for a term of six months or more;

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- (d) Is incapacitated by physical or mental illness;
- (e) Has been absent from three consecutive meetings of the Board of Governors without leave;
- (f) Where the member is a representative, has his appointment revoked by the nominating body; or
- (g) Is otherwise unable or unfit to discharge his functions as a member of the Board of Governors on account of any matter in this Act.

The role of the Board includes:

- (a) Overseeing the conduct of education and training in the institutions in accordance with the provisions of this Act and any other written law;
- (b) Promoting and maintaining standards, quality and relevance in education and training in the institutions in accordance with this Act and any other written law;
- (c) Administering and managing the property of the institutions;
- (d) Developing and implementing the institutions' strategic plan;
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institutions;
- (f) Receiving, on behalf of the institution, fees, grants, subscriptions, donations, bequests or other moneys and to make disbursement to the institution or other bodies or persons;
- (g) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidelines developed under the provisions of this Act
- (h) Mobilizing resources for the institutions;
- (i) Developing and reviewing programmes for training and to make representations thereon to the Board;
- (j) Regulating the admission and exclusion of students from the institutions, subject to a qualifications framework and the provisions of this Act;
- (k) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the Board;
- (l) Recruiting and appointing trainers from among qualified professionals and practicing trades persons in relevant sectors of industry;
- (m) determining suitable terms and conditions of service for support staff, trainers and instructors and remunerating the staff of the institutions, in consultation with the Authority;
- (n) Making regulations governing organization, conduct and discipline of the staff and students;
- (o) Preparing comprehensive annual reports on all areas of their mandate, including education and training services and submits the same to the Board;
- (p) Providing for the welfare of the students and staff of the institutions;
- (q) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions; and
- (r) Discharging all other functions conferred upon it by this Act or any other written law.

If a member of the Board has any Conflict of Interest, he/she declares the same in the meeting

A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. And a member of the Board of Governors who contravenes this commits an offence is liable to a fine or imprisonment.

Members of a Board of Governors are paid in respect of their services such remuneration or allowances as the Board of Governors, with the approval of the Cabinet Secretary, determine.

The Board of Governors keeps all proper books and records of accounts of the income, expenditure and assets of the institution and within a period of four months from the end of each financial year, a Board of Governors submit to the Auditor- General or to an auditor appointed, the accounts of the institution together with—

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(a) a statement of the income and expenditure of the institution during that year; and

(b) a balance sheet of the institution on the last day of that year.

The accounts of the institution are audited and reported upon in accordance with the Public Audit Act, 2015.

The Board of Governors furnishes the Cabinet Secretary with a certified copy of the audited annual statement of accounts and such other information about the revenue, expenditure, assets and liabilities of the institution as he may require

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VIII. MANAGEMENT DISCUSSION AND ANALYSIS

Summary of financial results against the budget

Year ending 30 th June	Budget FY2020/2021	Actual FY2020/2021	Utilisation FY 2020/2021
Receipts	249,299,040	134,504,942	54%
Payments	249,299,040	114,200,201	46%

The Institute was able to raise 54% of the budgeted revenue and utilised 46% of the budgeted expenditure.

Sources of revenue for the Institute include:

- i. Government grants
- ii. School fees
- iii. Lease income
- iv. Income Generating activities

The Institute received a total of **Kshs 69,315,000** as government capitation as indicated below.

Amount received per Quarter (Kshs)	Amount distributed to each trainee Kshs	No. of validated trainees	Amount Expected for validated trainees per Quarter (Kshs)	No. of trainees funded	No. of eligible trainees not funded
Q1 =27,015,000	7,500	3 154	23,655,000	2802	352
Q2 =5,010,000	7,500	3 154	23,655,000	1468	1686
Q3 =17,737,500	7,500	3 154	23,655,000	2365	789
Q4 =19,552,500	7,500	3 117	23,377,500	2607	510
Total =69,315,000	30,000		94,342,500		

Note: The Director of TVET instructed that Kshs. 6 million from the Q1 to be carried forward to Q2.

Expenses

The Board incurred expenses on various line items as indicated below:

- Use of goods Kshs54,967,780
- Employees costs Kshs 20,862,911
- Board of Governors Expenses Kshs 5,078,339
- Repairs and maintenance Kshs 12,510,535
- Contracted services Kshs 4,920,400
- Payment for PPE and Intangible Assets Kshs 15,860,236

Total Kshs 114,200,201

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Other compliance and operational results

Entity's compliance with statutory requirements

The Institute complied with TVET Act of 2013 and the PFM Act; 2012. To the best of our knowledge the Institute complied with legal requirements including submission of statutory deductions to KRA, NSSF, and NHIF. There are no instances of non-compliance that would lead to financial loss.

Key projects and investment Implemented successfully include:

- i. Construction of new ladies' hostel
- ii. Construction of new gate
- iii. Laying of Concrete blocks (Cabros)
- iv. Renovation of Principals and Deputy principal house

Major risk facing the Institute

Major risk facing the Institute is interferences by COVID 19 pandemic.

IX. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

RIAT 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 Institute's strategic objectives.

Sustainability strategy and profile

RIAT key sustainability strategies include environmental and social responsibility, human resource development, innovation and strict adherence to statutory and regulatory guidelines of the Government of Kenya.

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Environmental performance

RIAT follows directives and guidelines from NEMA (National Environmental Management Authority) and Institutes Environmental Impact Assessment (EIA) of all her projects and programs. The top management is well vast with policy content and requirements as a guide in environmental decision making.

RIAT has established a botanical garden to preserve the biodiversity of the area it operates. Native and indigenous trees have been preserved even in the beautification efforts by the institution. The biggest challenge has been unpredictable weather patterns.

Environmental awareness and sensitization of students and staff has been placed at the center stage of RIAT operations.

Employee welfare

RIAT has a recruitment and selection policy. The management involved employees when it formulated the policy. The policy has significantly reduced employee turnover and made it easier for the organization to select the right staff. The RIAT recruitment policy has ensured: Gender balance, transparency, merit based hiring and consistency. RIAT continually develops skills for her employees to improve organization performance.

Annual Performance Appraisal and Training Needs Assessment are done to establish how well the employees are performing their duties as well as the employees that need training, salary increment and job promotion.

RIAT adheres to OSHA Act 2007 guidelines to: identify workplace hazards, evaluate health safety conditions, design and conduct health and safety surveys, recommend training for new and existing employees, recommend and track new safety practices and Accident / Incident Investigations

Market place practices

RIAT's fidelity to anti-corruption practices remains steadfast. A committee on anti-corruption is operational and reports to the EACC quarterly and annually on progress. Students and staff are allowed to do public participation both internally and for the county program based budgets and national public participation activities.

RIAT remains committed to access to Government Procurement Opportunities and promotion of local content in her procurement processes. The Board reserves 30% of all procurement for Persons with

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disabilities(PWDs), Youth and Women and a further 2% specifically for PWDs. RIAT announces all tenders in mainstream media and follows all laid down guidelines in evaluating and awarding contracts. All pending bills are maintained at less than or equal to zero every financial year.

RIAT programs are advertised on her website, through the print and electronic media with clear guidelines on maintenance of ethical community standards.

Lastly, RIAT practices the three consumer rights in all her operations. An inquiry desk handles those seeking information, service delivery charters are prominently displayed at every service counter and a complaints and complements desk exists for those willing to complain about a service or offer complements. A complaints hotline is provided for those wishing to call.

Education

In the past year RIAT has admitted disadvantaged/marginalized students through the NYS and LAPSET programs. This is besides admitting countless others and assisting them to get HELB funding to remain in school. This has enhanced access to college education and acquisition of skills by students from all walks of life.

Sports

RIAT participates in competitive sports within and without through KATTI organized sporting activities as well as friendly matches with partner institutions. However, this FY the sporting activities were disrupted by COVID-19 pandemic. These sports have enhanced cohesiveness within the institution and the country at large.

Healthcare

RIAT has established an operational clinic manned by a qualified Clinical Officer to attend to both students and staff as well as operationalized an effective Guidance and Counseling Unit that also promotes Universal Health Care activities within the Institute. These activities have resulted in decreased incidences of STI, general health awareness creation, improved levels of health awareness, improved levels of physical health as well as mental health within the Institute.

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Labour Relations

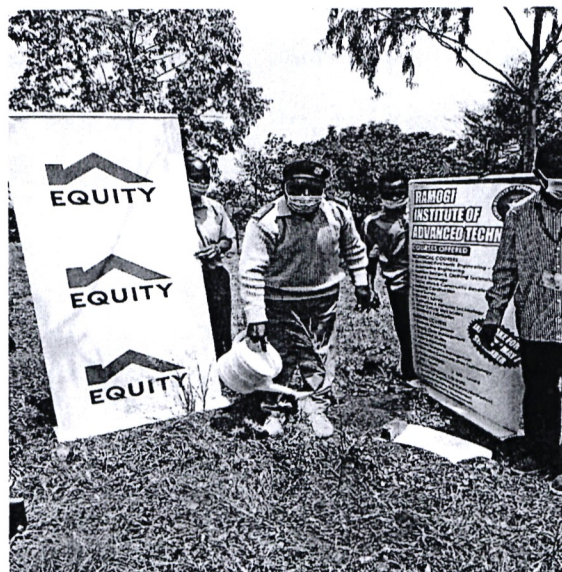
The Institute carries out Training Needs Assessment, Gap Analysis and staff performance appraisals and commits to the same as yearly performance targets in PC. This has enabled top management to make objective decision on placement for training opportunities from time to time.

Water and Sanitation Initiatives

Kisumu Water and Sewerage Company provides the Institute with clean water. This is supplemented with rain water harvested by RIAT. The Institute has expanded ablution facilities and constructed hand washing points to enhance hygiene and adhere to WHO Covid 19 Protocols

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Corporate Social Responsibility / Community Engagements

RIAT has planted over 10,000 trees in the past one year in line with the government agenda to increase forest cover to fifteen percent. During the past year, the Institute made foot operated hand washing machines and face masks and donated to neighboring primary schools to counter Covid 19 pandemic. The Institute also donated reflector jackets to the local *boda boda* riders to enhance their road safety. The Institute has allowed members of the community regulated access to her facilities for trainings, meetings, weddings, in strict adherence to government regulations and WHO Covid 19 Protocols as communicated from time to time.



Tree planting Exercise at Ramogi Institute of Advanced Technology



The Principal RIAT donating Face masks and foot operated hand-washing machines to Mkendwa Muslim and Bukna Primary schools.

X. REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report and financial statements for the year ended June 30 2021, which show the state of the RIAT affairs.

Principal activities

The principal activities of the Board are explained in page ii

Results

The results of the institution for the year ended June 30 2021 are set out on pages 1 -15

BOARD OF GOVERNORS

The members of the Board who served during the year are shown on pages vii - ix

Auditors

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

By Order of the Board


Maren Omondi (Mrs)

for **PRINCIPAL**
RIAT

BOG Secretary

Kisumu

Date: 12/9/2022


DEPUTY PRINCIPAL - ADMINISTRATION
RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
P.O. BOX 1738, KISUMU
DATE: 12/9/2022

XI. STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

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

The Board members are responsible for the preparation and presentation of the institution's financial statements, which give a true and fair view of the state of affairs of the institution for and as at the end of the financial year (period) ended on June 30, 2021. 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 institution;
- 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 institution;
- v. selecting and applying appropriate accounting policies; and
- vi. Making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the Institution's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and (the TVET Act) – institutions should quote applicable legislation as indicated under). The Board members are of the opinion that the institution's financial statements give a true and fair view of the state of institution's transactions during the financial year ended June 30, 2021, and of the institution's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the institution, which have been relied

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

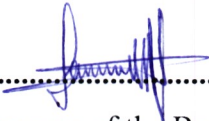
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

upon in the preparation of the institution's 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 Institute will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

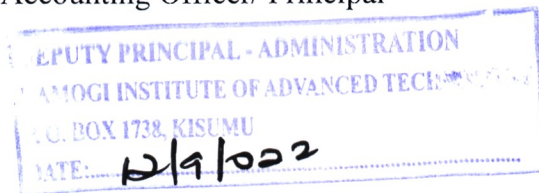
The Institution's financial statements were approved by the Board on 15th July 2021 and signed on its behalf by:



.....
Chairperson of the Board



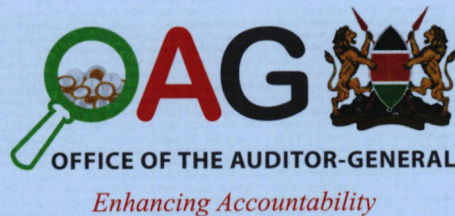
for Accounting Officer/ Principal



**XII. REPORT OF THE INDEPENDENT AUDITOR ON THE RAMOGI INSTITUTE OF
ADVANCED TECHNOLOGY**

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY FOR THE YEAR ENDED 30 JUNE, 2021

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 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 Ramogi Institute of Advanced Technology set out on pages 1 to 34, which comprise of the statement of financial position as at 30 June, 2021 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 a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ramogi Institute of Advanced technology as at 30 June, 2021 and 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 Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Reduction of Deferred Income

The statement of financial position and Note 21 to the financial statements reflect a comparative deferred income balance of Kshs.51,547,055 which has been reflected as nil balance in the financial year under review. However, the decrease of Kshs.51,547,055 has not been supported and the accounting treatment has not been disclosed.

In the circumstances, the accuracy and completeness of deferred income could not be confirmed.

2. Unsupported Transfer of Retained Earnings

The statement of changes in net assets reflects a transfer of Kshs.40,175,165 from retained earnings to capital fund account. However, the transfer which was utilized in the construction of ladies hostels was not supported with documentation detailing how the amount was determined and approved.

Under the circumstances the accuracy and completeness of the retained earnings and capital fund could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ramogi Institute of Advanced Technology 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 receipts budget and actual on comparable basis of Kshs.249,299,040 and Kshs.134,504,942 respectively, resulting to an underfunding of Kshs.114,794,098 or 46% of the budget. Similarly, the College expended Kshs.114,200,201 against the budgeted expenditure of Kshs.249,299,040 resulting to an under expenditure of Kshs.135,098,839 or 54% of the budget.

The under-funding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

2. Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues nor 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 audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, 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 of Conclusion

Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the institute was ninety-five (95) out of which forty-six (46) or 49% of the total number were members of the dominant ethnic community in the county. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

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

The audit was conducted in accordance with ISSAI 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 the Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the Institute's ability 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.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and 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

28 September, 2022

XIII. STATEMENT OF FINANCIAL PERFORMANC FOR THE YEAR ENDED 30 JUNE 2021


	Notes	2020-2021	2019-2020
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government	1	69,315,000	36,990,000
		<u>69,315,000</u>	<u>36,990,000</u>
Revenue from exchange transactions			
Rendering of services-Fees from students	3	61,628,490	43,080,635
Sale of goods	4	1,668,393	20,619,411
Rental revenue from facilities and equipment	5	1,190,200	980,584
Finance income	6	702,859	19,188
other income	7	-	10,000
Revenue from exchange transactions		<u>65,189,942</u>	<u>64,709,818</u>
Total revenue		<u>134,504,942</u>	<u>101,699,818</u>
Expenses			
Use of goods and services	8	54,967,780	55,199,488
Employee costs	9	20,862,911	17,706,592
Board of governors expenses	10	5,078,339	4,311,778
Repairs and maintenance	11	12,510,535	6,330,886
Contracted Services	12	4,920,400	-
Total Expenses		<u>98,339,965</u>	<u>83,548,744</u>
Net surplus for the year		<u>36,164,977</u>	<u>18,151,074</u>

The notes set out on pages 6 to 33 form an integral part of the Annual Financial Statements.

XIV. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

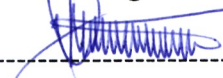
	Notes	2020-2021	2019-2020
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	13	74,228,221	117,435,906
Receivables from exchange transactions	14	67,730,428	12,805,437
Receivables from non-exchange transactions	15	-	12,330,000
Inventories	16	1,502,220	507,900
		<u>143,460,869</u>	<u>143,079,243</u>
Non-current assets			
Property, plant and equipment	17	1,693,750,577	1,680,193,141
Intangible assets	18	5,185,600	2,882,800
Biological assets	23	-	795,650
		<u>1,698,936,177</u>	<u>1,683,871,591</u>
Total assets		<u>1,842,397,046</u>	<u>1,826,950,834</u>
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	19	2,147,954	10,226,956
Refundable deposits from customers	20	4,816,511	4,556,761
Deferred income	21	-	51,547,055
Current provisions(Employee benefit obligation)	22	6,313,675	6,659,782
		<u>13,278,140</u>	<u>72,990,554</u>
Non-current liabilities		-	-
		-	-
Total Liabilities		<u>13,278,140</u>	<u>72,990,554</u>
Net assets		<u>1,829,118,906</u>	<u>1,753,960,280</u>
Accumulated surplus		130,182,729	134,192,917
Capital Fund		1,698,936,177	1,619,767,363
Total net assets and liabilities		<u>1,842,397,046</u>	<u>1,826,950,834</u>

The Financial Statements set out on pages 1 to 33 were signed on behalf of the Institute Board of Governors by:



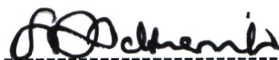
Chairman of Board of Governors

Date..... 12/09/2022



Finance Officer

ICPAK No.24450
Date..... 12/9/2022



for Principal

Date..... 12/9/2022

DEPUTY PRINCIPAL - ADMINISTRATION
RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
P.O. BOX 1738, KISUMU
DATE: 12/9/2022

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

XV. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2021

	Retained Earnings	Capital Fund	Total
At July 1,2018	95,454,406	1,554,641,156	1,650,095,562
surplus for the period	20,587,437	-	20,587,437
At June 30,2019	116,041,843	1,554,641,156	1,670,682,999
At July 1,2019	116,041,843	1,554,641,156	1,670,682,999
surplus for the period	18,151,074	88,259,620	106,410,694
At June 30,2020	134,192,917	1,642,900,776	1,777,093,693
At July 1,2020	134,192,917	1,642,900,776	1,777,093,693
Add surplus for the year	36,164,977	15,860,236	52,025,213
Transfer from Retained Earnings to Capital Fund	(40,175,165)	40,175,165	-
At June 30,2021	<u>130,182,729</u>	<u>1,698,936,177</u>	<u>1,829,118,906</u>

XVI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from National Government	1	69,315,000	36,990,000
Rendering of services-Fees from students	3	61,628,490	43,080,635
sale of goods	4	1,668,393	20,619,411
Rental revenue from facilities and equipment	5	1,190,200	980,584
Finance Income	6	702,859	19,188
Other income	7	-	10,000
Total Receipts		134,504,942	<u>101,699,818</u>
Payments			
Use of goods and services	8	54,967,780	55,199,488
Compensation of employees	9	20,862,911	17,706,592
Board of Governors Expenses	10	5,078,339	4,311,778
Repairs and Maintenance	11	12,510,535	6,330,886
Contracted Services	12	4,920,400	-
Total payments		98,339,965	83,548,744
Net cash flows from operating activities		36,164,977	18,151,074
Cash flows from Investing activities			
Purchase of Property, Plant, Equipment and Intangible assets		(15,860,236)	(10,622,658)
Decrease in non-current receivables		(53,052,632)	62,715,260
Net cash flows used in investing activities		(32,747,891)	70,243,676
Cash flows from financing activities			
Decrease in deposits		(10,459,794)	-
Net cash flows used in financing activities		(43,207,685)	70,243,676
Net increase/Decrease in cash and cash equivalents		(43,207,685)	70,243,676
Cash and cash equivalent at 1 JULY	13	117,435,906	47,192,230
Cash and cash equivalent as at 30 JUNE	13	<u>74,228,221</u>	<u>117,435,906</u>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

XVII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original budget	Adjustments	Final Budget	Actual	Performance difference	Utilization Difference
	2020-2021 Kshs	2020-2021 Kshs	2020-2021 Kshs	2020-2021 kshs	2020-2021 Kshs	
Revenue						
Transfers from other Govt entities Govt grants	131,000,000		131,000,000	69,315,000	61,685,000	47%
Rendering of services-Fees from students	104,220,000		104,220,000	61,628,490	42,591,510	40%
Sale of goods	13,123,600		13,123,600	1,668,393	11,455,207	87%
Finance Income	-		-	702,859		
Rental Income	955,440		955,440	1,190,200	(234,760)	+24%
Total Income	249,299,040		249,299,040	134,504,942	114,794,098	46%
Expenses						
Compensation of employees	33,835,668		33,835,668	20,639,911	13,195,757	38%
Use of Goods and services	128,170,376		125,170,376	72,621,715	52,548,661	65%
Board of Governors Expenses	4,080,000	3,000,000	7,080,000	5,078,339	2,001,661	28%
Payment for PPE and Intangible Asset	83,212,996		83,212,996	15,860,236	67,352,760	80%
Total Expenditure	249,299,040		249,299,040	114,200,201		
Surplus for the period	-		-	20,304,741		
Add back expenditure on PPE and Intangible Assets						

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

XVIII. NOTES TO THE FINANCIAL STATEMENT

1(a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2020-2021	2019-2020
	KShs	KShs
Unconditional grants		
Capitation grants		
Capitation(Q3 and Q4 for Fy 2018/2019)	69,315,000	36,990,000
Conditional grants		2,695,255
Mechanical Engineering W/shop		
Total Government grants and Subsidies	<u>69,315,000</u>	<u>39,685,255</u>

(b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

Name of the Entity sending grants	Comp.Income	Total grant	2020-2021
	Kshs	Kshs	Kshs
State Depart of TVET	69,315,000	69,315,000	69,315,000
Total	<u>69,315,000</u>	<u>69,315,000</u>	<u>69,315,000</u>

2 PUBLIC CONTRIBUTIONS AND DONATIONS

Description	2020-2021	2019-2020
	Kshs	kshs
Donation from AVIC International	<u>0</u>	<u>21,255,058</u>

These were equipment donation and have been classified under PPE as per IPSAS 17

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 RENDERING OF SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition fees	10,316,542	10,615,250
Activity fees	5,524,800	1,463,330
Registration fees	242,130	1,044,920
Damages Recoveries	-	8,100
Electricity, Water and Conservancy	5,164,990	2,570,167
P. Emoluments	18,802,510	7,097,000
Admin. Costs	-	2,510,680
Local Travel and Transport	6,340,318	2,196,240
Repairs, Maintenance and Improvement	6,211,370	1,876,170
Medical	-	22,100
Practical	-	216,130
Development fees	14,140	2,535,280
Food/Beverage practicals	-	69,900
Insurance	-	48,990
Centre fees	-	270,200
Oral Exams	65,970	680
Stage Certificate	-	2,440
Students Accomodation	4,618,770	2,285,948
Students Union	1,423,750	36,250
Lapset	-	1,272,300
Fees receivables	-	6,938,560
Students ID	309,270	-
KNEC Project fee	2,593,930	-
Total Earnings	61,628,490	43,080,635

4 SALE OF GOODS

Description	2020-2021	2019-2020
	Kshs	Kshs
Production Units	215,343.0	17,483,565
sales from cafeteria	1,420,110.0	1,645,595
Sugarcane	14,940.0	694,601
Assorted vegetables sales	18,000.0	-
Crop plantation	-	795,650
Total	1,668,393.0	20,619,411

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 HIRE OF FACILITIES AND EQUIPMENT

Descriptions	2020-2021	2019-2020
	Kshs	Kshs
Rent from staff	-	161,050
Rent Recoveries from payroll	140,400	-
Rent from PSC staff	122,400	-
Lease Income from Communication Authority of kenya	693,400	727,734
lease Income from safaricom	234,000	-
Rent Receivables	-	91,800
Total Earnings	1,190,200	980,584

6 FINANCE INCOME

Descriptions	2020-2021	2019-2020
	Kshs	Kshs
Intrest earned KCB	-	1,940
Intrest earned ECOBANK	-	17,248
intrest from Co-operative bank	702,858.51	-
Total	702,858.51	19,188

7 OTHER INCOME

Description	2020-2021	2019-2020
	Kshs	Kshs
Sale of Tender	<u>0</u>	<u>10,000</u>

8 USE OF GOODS AND SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Training Materials	5,055,347	5,474,222
Water	530,930	2,757,505
Electricity	1,518,547	-
Admin.Costs	6,398,540	11,686,422
Local Travel and Transport	3,208,214	6,310,365
Medical Expense	830,351	652,063
Activity fees	36,000	1,683,830
Practical	3,749,475	1,003,716
Food/Beverage practical's	-	632,445
Insurance	1,432,604	1,186,270
Losses	-	109,040
Registration Expenses	-	516,665
Student Union	1,169,800	2,045,500
Lapsset	-	738,350
Tender Expenses	36,500	3,710
Riat Omuga TVC	-	1,030,860
Cafeteria Expenses	4,819,727	9,004,627
Students outside	-	1,255,710

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Accommodations		
Bank Charges	164,262	-
Production Units Expense	-	7,636,307
Internal Examinations	10,640	-
Outsourced Security	-	1,471,881
Attachment expense	380,430	-
Student ID	193,500	-
Printing and stationery	996,173	-
Internet Expense	1,991,871	-
Centre costs	254,621	-
Marketing	87,500	-
Farm Expenses	1,040,570	-
KATTI	60,000	-
Legal Services	5,000	-
Newspapers	43,680	-
Telecommunications	117,876	-
Postage stamps	1,000	-
Security and Transport to bank	130,050	-
Purchase of cleaning materials	798,030	-
NITA Levy	639,545	-
Fuel and Oil	522,400	-
Fumigation	65,000	-
Oral Exams Expenses	168,500	-
Rachuonyo TVC	943,065	-
Computer accessories	642,370	-
Honoraria	1,021,782	-
Exams	15,903,880	-
Total	54,967,780	55,199,488

9 EMPLOYEE COSTS

Description	2020-2021	2019-2020
	kshs	kshs
B.O.G Employees Salaries	18,510,273	17,706,592
Honoraria	90,200	-
wages	427,252	-
Employer NSSF	400,800	-
Capacity Building	1,434,386	
Total	20,862,911	17,706,592

10 BOARD OF GOVERNORS EXPENDITURE

Description	2020-2021	2019-2020
	Kshs	Kshs
Sitting allowance	3,505,000	
Transport refund	592,575	
Per Diem	700,000	

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

B.O.G Trainings	241,766	
Meals	38,998	
	<u>5,078,339</u>	<u>4,311,778</u>

11 REPAIRS AND MAINTENANCE

Description	2020-2021	2019-2020
	Kshs	Kshs
Motor vehicles	2,304,941	
Buildings	10,205,594	6,330,886
	<u>12,510,535</u>	<u>6,330,886</u>

12 CONTRACTED SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Contracted services	<u>4,920,400</u>	-

13 CASH AND CASH EQUIVALENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cash at hand	10,158	61,005
National Bank A/C No.500	49,913,280	95,772,477
National Bank A/C No.502	3,158,181	2,976,936
National Bank A/C No.504	-	60
National Bank A/C No.700	1,538,484	1,547,484
National Bank A/C No.800	403,647	362,777
Ecobank A/C no.101	-	2,283,510
KCB A/C No.055	-	14,431,657
Co-operative bank No.	17,372,862	
M-Pes paybill no.3131419	1,831,609	
Totals	<u>74,228,221</u>	<u>117,435,906</u>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

14 RECEIVABLES -EXCHANGE TRANSACTION

Description	2020-2021	2019-2020
	Kshs	Kshs
Student Debtors	66,283,776	11,510,585
Rent Debtors	1,336,652	1,244,852
Salary Advances	110,000	50,000
Totals	67,730,428	12,805,437

15 RECEIVABLES-NON-EXCHANGE

Description	2020-2021	2019-2020
	Kshs	Kshs
Government Capitation 2019/2020	-	12,330,000
	-	12,330,000

16 INVENTORIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Foodstuff	1,045,585	-
Training materials	-	507,900
Stationery	333,335	-
Maize 17Bags@4500	76,500.0	-
Sorghum 13Bags@3600	46,800.0	-
Total	1,502,220	507,900

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

17 PROPERTY, PLANT AND EQUIPMENT

	Land and Building		Motor Vehicles		Furniture and Equipment		Computers		Text		WIP		Total	
		Shs		Shs		Shs		Shs		Shs		Shs		Shs
At 1 July 2019	1,428,980,000		6,910,040		106,210,316		12,390,800		-		125,305,292		1,679,796,448	
Additions	21,004,759		15,195,000		1,068,998		632,500		1,341,949		-		39,243,206	
Disposals	(450,000)		-		-		-		-		-		(450,000)	
Transfers from WIP											(79,210,831)		(79,210,831)	
Donations and Recount					21,255,058		1,585,143		760,000				23,600,201	
Additions WIP											17,214,117		17,214,117	
At 30th June 2020	1,449,534,759		22,105,040		128,534,372		14,608,443		2,101,949		63,308,578		1,680,193,141	
Additions	70,439,451				3,817,963		2,608,600				(63,308,578)		13,557,436	
At 30th June 2021	1,519,974,210		22,105,040		132,352,335		17,217,043		2,101,949		-		1,693,750,577	

Note:

(a) Breakdown for Land and Building

Land	1,120,000,000
Buildings	390,234,574
Total	1,510,234,574

(b) Equipment donated from China for Kshs 21,255,058 indicated in ^{Note} 2. Were classified under Furniture and equipment as shown above

18 INTANGIBLE ASSETS

Description	2020-2021	2019-2020
	Kshs	Kshs
Bal as at 01/07/2020	2,882,800	150,000
Additions	2,302,800	2,732,800
	<u>5,185,600</u>	<u>2,882,800</u>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

19. TRADE AND OTHER PAYABLES

Description	2020-2021	2019-2020
	Kshs	kshs
Fees paid in Advance	-	10,226,956
Retention Money	2,111,504	-
Nita Levy	36,450	-
Totals	<u>2,147,954</u>	<u>10,226,956</u>

20 REFUNDABLE DEPOSITS

Description	2020-2021	2019-2020
	Kshs	Kshs
Caution Money	4,816,511	4,816,511
PAYE	-	(259,750)
Total	<u>4,816,511</u>	<u>4,556,761</u>

21 DEFERRED INCOME

Description	2020-2021	2019-2020
	Kshs	Kshs
Riat Rachuonyo TVC	0	51,547,055
Total	0	<u>51,547,055</u>

22 CURRENT PROVISION

Description	2020-2021	2019-2020
	Kshs	kshs
Employee benefit Obligation	6,313,675	6,659,782
Total	<u>6,313,675</u>	<u>6,659,782</u>

23 BIOLOGICAL ASSETS

Description	2020-2021	2019-2020
	Kshs	kshs
Sugarcane	-	-
Beans	-	-
Sorghum	-	34,650
Maize	-	45,000
Green leafy vegetables	-	14,000
Total	<u>-</u>	<u>795,650</u>

GENERAL INFORMATION

Ramogi Institute of Advanced Technology is established by and derives its authority and accountability from Technical Vocational Education and Training (TVET) Act 2013. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is Technical training.

1. 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 judgments in the process of applying the Institute's accounting policies.

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

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

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. ADOPTION OF NEW AND REVISED STANDARDS

- i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2021.

Standard	Impact
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2021: a) 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)

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2021.

Standard	Effective date and impact
<p>IPSAS 41: Financial Instruments</p>	<p>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 an Institute’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"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Institute’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Institute 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> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Institute; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Institute’s financial performance, financial position and cash flows.
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> 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 <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>

RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Standard	Effective date and impact:
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets. d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.

iii. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2021.

3. 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 the entity 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

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

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

Sale of goods

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

Interest income

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

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the entity's right to receive payments is established.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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 2020/2021 was approved by the Board on 24th January 2020. Subsequent reallocation was made to the approved budget in accordance with specific approvals from the Board. The additional appropriations are added to the original budget by the Institute upon receiving the respective approvals in order to conclude the final budget.

The Institute'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.

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A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under page 1 of these financial statements.

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.

c) Taxes

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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.

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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. 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 however the institute doesn't provide for depreciation since the policy is a draft waiting board's approval. Likewise, when a major inspection is performed, its cost is recognized in 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.

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. 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

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. Amortization of the asset begins when development is complete and the asset is available for use

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 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)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- The debtors or Institute 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.

i) Inventories

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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 the Entity.

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

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

Contingent liabilities

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

Contingent assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

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

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

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

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

n) Foreign currency transactions

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

o) Borrowing costs

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Related parties

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

q) Service concession arrangements

The Entity 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, the Entity recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

r) Cash and cash equivalents

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

s) Comparative figures

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

t) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30 2021.

4. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. RELATED PARTY BALANCES

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) Ministry of Education
- iii) Rachuonyo TVC
- iv) Omuga TVC

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- v) Key management;
- vi) Board of Governors

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

	2020-2021	2019-2020
	Kshs	Kshs
Transactions with related parties		
a) Sales to related parties		
Lease income from communication Authority of Kenya	693,400	727,734
Total	693,400	737,400
b) Purchases from related parties		
Purchases of electricity from KPLC	1,559,545	2,057,505
Purchase of water from govt service providers	530,930	230,400
Total	2,090,475	2,287,905
b) Grants /Transfers from the Government		
Grants from National Govt	69,315,000	36,990,000
Grants from County Government	0	
Donations in kind	0	
Total	69,315,000	36,990,000
c) Expenses incurred on behalf of related party		
Payments of salaries and wages for 6 employees	72,000	0
Payments for goods and services for Rachuonyo	836,065	
Total	908,065	
d) Key management compensation		
Directors' emoluments	5,097,169	4,311,778
Compensation to key management	0	
Total	5,097,169	4,311,778

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. SEGMENT INFORMATION

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an entity to present segmental information of each geographic region or department to enable users understand the entity's performance and allocation of resources to different segments)

7. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent Assets

	2020-2021	2019-2020
	Kshs	Kshs
Contingent assets		
Insurance reimbursements	0	0
Assets arising from determination of court cases	0	0
Reimbursable indemnities and guarantees	0	0
Others (Specify)	0	0
Total	0	0

Contingent Liabilities

	2020-2021	2019-2020
	Kshs	Kshs
Contingent liabilities		
Court case against the entity	0	0
Bank guarantees in favour of subsidiary	0	0
Contingent liabilities arising from contracts including PPPs	0	0
Others (Specify)	0	0
Total	0	0

(Give details)

8. CAPITAL COMMITMENTS

Capital commitments	2020-2021	2019-2020
	Kshs	Kshs
Construction of new hostel		25,455,757
Construction of new gate		1,524,735
Rachuonyo TVC		4,336,400
ERP extension	5,000,000	5,000,000
Renovation of play fields		1,300,000
Purchase of water tanks	600,000	
Textbooks	3,000,000	
Stand by Generator	4,000,000	
New Tuition block	37,487,296	
New car for the Principal	8,500,000	
Farm House	2,000,000	
Staff houses	10,000,000	
Total	70,587,296	37,616,892

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(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the entity but at the end of the year had not been contracted or those already contracted for and ongoing)

11/11/2021

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. DEFERRED TAX LIABILITY

Deferred tax is calculated on all temporary differences under the liability method using the enacted tax rate, currently 30%. The net deferred tax liability at year end is attributable to the following items:

	2020-2021	2019-2020
	Kshs	Kshs
Accelerated capital allowances	0	0
Unrealised exchange gains/(losses)	0	0
Revaluation surplus	0	0
Tax losses carried forward	0	0
Provisions for liabilities and charges	0	0
	0	0
Net deferred tax liability/(asset)	0	0
The movement on the deferred tax account is as follows:		
Balance at beginning of the year	0	0
Credit to revaluation reserve	0	0
Under provision in prior year	0	0
Income statement charge/(credit)	0	0
Balance at end of the year	0	0

[In ordinary circumstances public sector entities under IPSAS are not expected to pay taxes. However, in specific cases where this is applicable an organization is supposed to seek guidance on accounting for income taxes from IAS 12]

10. EVENTS AFTER THE REPORTING PERIOD

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

11. ULTIMATE AND HOLDING ENTITY

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

12. CURRENCY

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

APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR 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)
1	<ul style="list-style-type: none"> Certificate of bank balances received from banks were signed without names of the bank authorities Board of survey report recorded KCB bank balance as National Bank balance 	<ul style="list-style-type: none"> Certificate of bank balances are standardised to be used with signatures only as instructed by the Central Bank The error was corrected 	<ul style="list-style-type: none"> Resolved Resolved 	
2	<ul style="list-style-type: none"> Supporting schedules for Receivables was not provided No Debt management policy 	<ul style="list-style-type: none"> Supporting schedules for receivables comprising of Scholl fees arrears and rent arrears were provided for audit review Draft policy developed waiting Board of governors approval 	<ul style="list-style-type: none"> Resolved Not resolved 	Draft debt policy to be ready before September 2022
3	Inaccurate presentation of property, plant and equipment	Breakdown on additional capital was availed and financial statements amended accordingly	Resolved	
4	Unsupported additions to work-in progress	Documentary evidence for additions availed to the auditors	Resolved	
5	Unsupported inventories balance	Supporting documentary evidence availed	Resolved	
6	Unsupported deferred income	Composition and evidences provided	Resolved	
7	Non-deduction of Retention fess on	Evidences were provided for audit review	Resolved	

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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)
	works			
8	Unsupported use of goods and services	Documentary evidences were provided for audit review	Resolved	
9	Over expenditure on Board of Governors Expenses	The Institute overspent on Board of governors because of two reasons: Back log of issues occasioned by lack of substantively appointed principal for one year and students strike	Resolved	
10	Budgetary control and performance	Shortfall in Revenue and Expenditure was as a result of COVID 19	Resolved	
11	Incomplete works at Rachuonyo TVC	Documentary evidences were provided	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 entity 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.

Accounting Officer

Name **MAREN OMONDI**

Principal

Signature 

Date. **12/09/2022**



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APPENDIX II: PROJECTS IMPLEMENTED BY THE INSTITUTE

Projects

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	Ladies hostel	43,088,853	43,088,853	100%	43,088,853	43,088,853	School fees
2	New gate	4,101,956	4,101,956	100%	4,101,956	4,101,956	School Fees
3	Concrete blocks (Cabros)	13,636,850	13,636,850	100%	13,636,850	13,636,850	School fees
4	Renovation of Principal/D/principal house	3,200,000	3,200,000	100%	3,200,000	3,200,000	School fees
5	Renovation of Hostels	5,397,198	5,397,198	100%	5,397,198	5,397,198	School fees
	Total	69,424,857	69,424,857				

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APPENDIX III: INTER-ENTITY TRANSFERS

ENTITY NAME:			
Break down of Transfers from the State Department of TVET			
FY 2020/2021			
a.	Recurrent Grants		
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	3 rd July 2020	12,330,000	2019/2020
	3 rd July 2020	22,500	2019/2020(Omuga Tvc)
	6 th November 2020	27,015,000	2020-2021
	9 th November 2020	1,717,500	2020/2021(Omuga TVC)
	12 th February 2020	1,717,500	2020/2021(Omuga TVc)
	22 nd February 2021	5,010,000	2020-2021
	30 th March 2021	1,575,000	2020/2021
	30 th March 2021	17,737,500	2020-2021
	3 rd June 2021	500,000	2020/2021(For OmugaTvc)
	25 th June 2021	500,000	2020/2021(Rachuonyo Tvc)
	25 th June 2021	500,000	2020/2021
	30 th June 2021	1,935,000	2020/2021(Omuga TVC)
	30 th June 2021	19,552,500	2020-2021
	Total	90,112,500	
b.	Development Grants		
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		-	
	Total	Nil	
c.	Direct Payments		
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	Total	Nil	
d.	Donor Receipts		
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		Nil	
	Total	Nil	

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The above amounts have been communicated to and reconciled with the parent Ministry

Finance Officer
RIAT Institute

Sign 

Head of Accounting Unit
Ministry of Education

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**RAMOGI INSTITUTE OF ADVANCED TECHNOLOGY
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

APPENDIX IV: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Other	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Education	0	Recurrent	0	0	0	0	0	0	0
Ministry of Education	0	Development	0	0	0	0	0	0	0
USAID	0	Donor Fund	0	0	0	0	0	0	0
Ministry of Education	0	Direct Payment	0	0	0	0	0	0	0
			0	0	0	0	0	0	0
Total			0	0	0	0	0	0	0