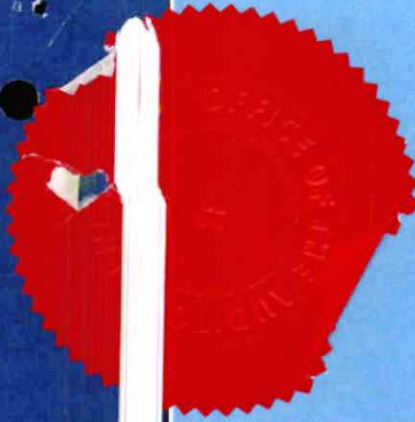


REPUBLIC OF KENYA




Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 JUN 2025	DAY. Wednesday
TABLED BY:	Hon. Owen Baya, MP Deputy Majority Leader
CLERK AT THE TABLE:	Lorna

OF

THE AUDITOR-GENERAL

ON

KISIWA TECHNICAL TRAINING INSTITUTE

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



KISIWA TECHNICAL TRAINING INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2024

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

Table of Contents

1.	Acronyms and Definition of Key Terms	iii
B.	Definition of Key Terms	iv
2.	Key Institute Information and Management	v
(a)	Background information	v
	Our Vision	vi
	Our Mission	vi
	Our Motto	vi
	Quality Policy	vi
	Finance and infrastructure committee activities	viii
	Human Resource and training committee activities	viii
3.	The Board of Governors	xi
4.	Top Management Team	xiv
5.	Chairman's Statement	xviii
6.	Report of the Senior Principal	xx
7.	Statement of Performance against Predetermined Objectives	xxiii
8.	Corporate Governance Statement	xxv
9.	Management Discussion and Analysis	xxxiii
10.	Environmental and Sustainability Reporting Statement	xxxiv
11.	Report of the Board of Governors	xxxvii
12.	Statement of Board of Governors Responsibilities	xxxviii
13.	Report of the Independent Auditor on Kisiwa Technical Training Institute	xl
14.	Statement of Financial Performance for the Year Ended 30 June 2024	1
15.	Statement of Financial Position as At 30th June 2024	2
16.	Statement of Changes in Net Asset for the Year Ended 30 June 2024	3
17.	Statement of Cash Flows for the Year Ended 30 June 2024	4

1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
TTI	Technical Training Institute
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TVC	Technical Vocational College
PSC	Public Service Commission
KNEC	Kenya National Examination Council
NITA	National Industrial Training Authority
CDACC	Curriculum Development, Assessment and Certification Council
KASNEB	Kenya Accountants and Secretaries National Examination Board
PS	Principal Secretary
TVET	Technical and Vocational Education and Training
OS	Occupational Standards

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the institutes financial resources.

Comparative Year- the prior period.

The Board – a group of professionals managing the institution

Quality Management System (QMS) - A structured system of processes and procedures that Institute uses to ensure consistent delivery of products or services that meet customer and regulatory requirements, based on standards like ISO 9001:2015

Stakeholders - Individuals or groups with an interest in the institution's operations and Outcomes including students, staff, and the community.

Fiduciary Responsibility - The obligation of individuals in positions of trust (like the Principal and Board members) to act in the best interest of the institution and its stakeholder

Linkages in Training and Industry - Collaborations between educational institutions and Industry partners to enhance training relevance and job placement opportunities

Market-Driven Skills - Skills developed based on the current demands and needs of the job Market.

Self-Reliance - The ability of individuals to support themselves financially and socially through Acquired skills and knowledge

Sustainable Development: Development that meets present needs without compromising the Ability of future generations to meet their own needs, often emphasizing environmental, Economic, and social sustainability

Fair Value - The estimated worth of an asset based on current market conditions.

Non-Exchange Transactions - Transactions where one party provides a good or service without receiving equal value in return.

Exchange Transactions - Transactions where goods or services are exchanged for consideration.

Accrual Basis - An accounting method that recognizes revenues and expenses when they are incurred, regardless of cash flow.

Defined Contribution Plans - Retirement plans where the employer contributes a fixed amount to a fund, with no further obligation.

Subsequent Events - Events occurring after the reporting period that may impact the financial statements.

Judgments and Estimates - Management's assessments that affect reported amounts in financial statements, based on available information.

2. Key Institute Information and Management

(a) Background information

Kisiwa Technical Training Institute is a public institution registered under the Ministry of Education, state department of Technical, Vocational Education and Training (**REG NO: MOHEST/PC/1144/09**). It was formally registered as East Bukusu Kisiwa Youth Club of the Elgon Nyanza District on 27th November,

1961 by the Kenya Youth Club Association. The institute is located to the Eastern slopes of Kabuchai hills in West Nalondo Location, Bungoma central sub-county, Bungoma County. The institute sits on 23.25 acres of land.

The first courses offered included Shoe making, Carpentry and Masonry. The founder members were Mr. Dominick Wetang'ula and Mr. Sylvester Kituyi. The objective of the formation was to prepare youths for self-reliance and employment.

The Institute was launched in 2008 and the first Principal was posted in May, 2009. First admission for Technical and Vocational courses was done in September, 2009. Currently the Institute has 61 PSC Trainers, 108 B.O.G Trainers and 75 members of non-teaching staff. The student enrolment as per now stands at 7,062 trainees.

The institute runs ten (11) academic departments comprising of Mechanical, Electrical, Hospitality and Tourism Management, Fashion Design and Cosmetology, Liberal Studies, Agriculture and Environmental Studies, Business, Computing and Informatics, Building and Civil Engineering, Health Sciences and Applied Sciences.

Non-academic departments include; Students Welfare, Registry, Office of Career Services, Finance, Procurement, Internal Audit and Human Resource.

Courses are offered at different levels including Diploma, Certificate and Artisan Programmes which are examined by KNEC, KASNEB, CDACC and NITA.

Kisiwa TTI is managed by a Board of Governors appointed by the Cabinet Secretary, Ministry of Education. It comprises of the Chairperson, Secretary, PS Representative and other six professionals.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024
Key Institute Information and Management (Continued)

(b) Principal Activities

The principal activity/mission/ mandate of the institute is to ..

- i. Implement TVET curriculum and other approved Programmes.
- ii Nurture Research, Innovation and Creativity
- iii. Establish linkages in training and industry.
- iv. Offer professional guidance and counseling.
- v. Promote income generation through IGUs and optimum utilization of resources
- vi. Formulate, review and coordinate institutional policies and strategies.

Our Vision

A Centre of excellence in TVET, Research and Innovations

Our Mission

To provide market driven skills in TVET, research and innovations in line with the demands for sustainable development.

Our Motto

Knowledge and Skills for better life

Quality Policy

Kisiwa Technical Training Institute is committed to produce knowledgeable, skilled, innovative and responsible manpower in Entrepreneurship, Research, Science and Technology to meet the changing needs of industry and society.

To meet this commitment, the Institute shall comply with all applicable requirements and continually improve on her effectiveness by implementing a Quality Management System based on ISO 9001 2015.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Key Institute Information and Management (Continued)

The Institute shall review this quality policy and establish quality objectives on annual basis to ensure continuing suitability.

(c) Key Management

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

- Board of Governors
- Accounting officer/ Principal
- Top Management

(d) Fiduciary Management

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

SN.	Designation	Name
1.	Principal	Dr. Godfrey Murunga
2.	Deputy principal Administration	Macimila Okwara Magero
3	Deputy principal Academics	Charles Nyongesa Lumuli
4	Registrar Administration	Robert Kimakwa
5	Registrar Academics	Anna Ameyo
6	Dean of students	Stephen Kiptum
7	Finance Officer	CPA Nekesa Janet Barasa
8	Procurement Officer	Lydia Waeno
9	Human Resource Officer	CHRP Brian Ingaita

(e) Fiduciary Oversight Arrangements

The Board conducts its oversight functions through the following committees;

Audit and risk committee activities

The committee performs oversight function by undertaking the following;

- i. Reviewing the institution's internal controls to ensure they are effective and adequate.
- ii. Overseeing the institution's risk management processes and policies.
- iii. Monitoring the institution's compliance with relevant laws, regulations, and policies.
- iv. Evaluating the findings of internal and external audits.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Key Institute Information and Management (Continued)

- v. Recommending improvements to the institution's risk management, internal controls, and compliance practices.

This committee plays a crucial role in providing independent oversight and assurance to the institution's leadership and stakeholders regarding the effectiveness of the institution's risk management, internal controls, and compliance practices.

Finance and infrastructure committee activities

- i. The committee is responsible for reviewing and recommending for approval the institution's annual budget proposal. They ensure that the budget aligns with the institution's strategic priorities and can adequately support its educational programs and operational needs.
- ii. The committee closely monitors the institution's financial performance, analyzing revenue streams, expenditures, and overall fiscal health.
- iii. The committee oversees the procurement processes and contract management practices of the institution. They ensure that all purchases and contractual agreements are made in a transparent, cost-effective, and compliant manner, maximizing the institution's resources.
- iv. The committee is responsible for overseeing the maintenance, improvement, and development of the institution's physical infrastructure, including buildings, facilities, and equipment.
- v. The committee regularly reviews the institution's financial and infrastructure-related policies, procedures, and practices.

By fulfilling these critical responsibilities, the Finance and Infrastructure Committee plays a pivotal role in supporting the institution's ability to deliver high-quality educational programs and services to its students and stakeholders

Human Resource and training committee activities

- i. Developing and reviewing the institution's human resource policies and procedures.
- ii. **Key Institute Information and Management (Continued)**
Overseeing the recruitment and onboarding of new employees.

KISIWA TECHNICAL TRAINING INSTITUTE

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

- iii. Managing employee development, including performance management, career planning, and succession planning.
- iv. Evaluating the training needs of the institution's staff
- v. Designing and delivering training programs to address the identified needs.
- vi. Monitoring the effectiveness of the training programs and making improvements as needed.

This committee plays a crucial role in ensuring that the institution has the right talent and capabilities to support its educational programs and achieve its strategic objectives.

(f) Institute Headquarters

Kisiwa Technical Training Institute
P.O. Box 657-50200
Off Sikata-Kimilili Road
Bungoma, KENYA

(g) Institute Contacts

Telephone: +254 0110 096 090
Email: info@kisiwatech.ac.ke
Website: www.kisiwatech.ac.ke

(h) Institute Bankers

KCB Bank Ltd
Bungoma branch
P.O Box 380-50200, Bungoma

Co-operative Bank of Kenya
Bungoma branch
P.O Box 1964-50200, Bungoma

Diamond Trust Bank
Bungoma branch
P.O Box 726-50200, Bungoma

(i) Independent Auditors

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

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Key Institute Information and Management (Continued)

(j) Principal Legal Adviser

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

KISIWA TECHNICAL TRAINING INSTITUTE

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

3.The Board of Governors



Name: Martin Richard Wamalwa

D.O.B: 28/05/1974.

Key Qualification: He has masters in Monitoring and Evaluation GGPA 4.29, Post Graduate Diploma in Monitoring and Evaluation, has MBA Business Administration and also BSc Project and Management.

Work Experience: He is currently working at Austrian Development Agency (ADA) incorporated to the water and sanitation sector (Uganda). He was appointed to the Board of the Institute in March 2023 as a Chairperson.

Name: Zenah Jepchirchir

D.O.B: 22/08/1981.

Key Qualification: Zenah holds a Bachelor of Commerce (BCOM) Accounting Option She holds a Certified Public Accountant CPA (K) **Work Experience:** She worked in an NGO FOR 7 years. Has 10yrs experience in accounting.

Member of Rotary Club. She was appointed to the Board of Kisiwa TTI in March 2023 as a member. Governor Zenah serves as a chairperson of the Finance committee of the Board.



Name: Martha Wekesa

D.O.B: 4/06/1966.

Key Qualification: She has a Master's degree in Food Science and Technology, Strategic Leadership Development Program. She has trained in the Senior Management Course. She has PGDE from Maseno University.

Work Experience: She is a career civil servant currently serving as the Bungoma and Busia County Director TVET and represents the Principal Secretary, State Department of TVET in the Governing Council from 2015 to date. She worked at the Ministry of Education headquarters from 2011 to 2015 and under TSC from

1997 to 2010. Appointed to the Board of Kisiwa TTI in March

2023 as a member.



KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024



Name: Jorim Okeyo Guya

D.O.B:20/09/1958.

Key Qualification: He holds Bed (Hons) in Education Management university of South Africa. Higher Diploma in Electrical Engineering.

Work Experience: He is a retired Principal of Technical training institute. He was appointed to the Board of the Institute in March 2023 as a member. He serves on the Research, Training and Human Resource Committee of the Board as a chairperson.

Name: Johnkevin Emasa Otwani

D.O.B:31/01/1976.

Key Qualification: He holds a Master's Degree in project planning and management. Bachelor's Degree in Project Planning & Management and Diploma in Electrical Engineering (Power Option).

Work Experience: He worked as an Acting Director Public Works, County Electrical Engineer, Busia County from 2016 to 2020, Technical Plant Operator of Tata Chemicals Magadi from 2007 to 2014 and Corporal at Kenya Airforce from 2001 to 2007. He was appointed to the Board of the Institute in March 2023 as a member.



Name: Amos Simiyu Makokha

D.O.B:12/12/1972.

Key Qualification: Trained as an associate arbitrator with the chartered institute of arbitrators Kenya branch in April 2014, trained as a professional mediator with Mediation Training Institute. **Work Experience:** A partner with the law firm of Makokha Wattanga and Luyali Associates from May 2012 to date. Worked as a partner in the law firm of Wetangula Adan and Makokha Advocates from 2007 to 2012. He was appointed to the board of Kisiwa in March 2023 as a member.



KISIWA TECHNICAL TRAINING INSTITUTE

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

Name: Owala J. B. Owino

D.O.B:04/03/1956

Key Qualification: He holds a Master's Degree of Science in Business with IT from University of Salford (UK), BED Arts (Maths and Economics) from University of Nairobi.

Work Experience: Governor Owala worked as a teacher from 1981 to 1985. From 1986 to 1990, he worked as an Education Officer for Nandi Kapsabet. He worked for Maseno University as an Administrative Assistant from 1990 to 2005 then worked for JKUAT as a Senior Assistant Registrar after which he was promoted to the rank of a deputy registrar, a position he held till his retirement in 2017. He was appointed to the Board of the Institute in March 2023 as a member.



Name: Doreen N. Simiyu

D.O.B:28/08/1986

Key Qualification: She holds a Master's Degree of Science in Library and

Information Science at Moi University, B.sc information Science Moi University.

Work Experience: Worked for Catholic University of East Africa as an admissions officer from 2016 to September 2019. Librarian for Catholic University of East Africa Gaba campus from September 2019 to date. She was appointed to the Board of the Institute in March 2023. She serves on the Audit and Risk Management Committee of the Board as a Chairperson.

Name: Dr. Godfrey Murunga

D.O.B: 12 09.1966.

Key Qualification: He holds a PhD in Material Science, Physics from the University of Eldoret and a Certificate in Senior Management Course (SMC) from Kenya School of Government (KSG).

Work Experience: He has over 30 years teaching experience in both high school and technical training institutions. He joined Kisiwa TTI in March 2021 as the Principal. He is the Secretary to the Board of Governors.



KISIWA TECHNICAL TRAINING INSTITUTE

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

4. Top Management Team



Name: Dr. Godfrey Murunga

D.O.B: 12/09/19.

Key Qualification: He holds a PhD in Material Science, Physics from the University of Eldoret and a Certificate in Senior Management Course (SMC) from Kenya School of Government (KSG). He has a passion for Research Publications.

Work Experience: Dr. Murunga has a 30 year teaching experience having taught at St. Luke's Kimilili for 7 years, Chesamisi High School for 3 years, Principal Magemo Friends for 4 years, Kisiwa TTI for 4 years, Principal

Musakasa TTI for 3 years, Kisumu National Polytechnic for 2 years and D/Principal Administration at Matili TTI for 3 years. He joined Kisiwa TTI as a Principal/Secretary BOG from March 2021 to date

Name: Makaka M. Magero

D.O.B: 29/12/1968.

Key Qualification: She holds a Bachelor of Education Science (Maths and Chemistry).

Work Experience: She worked at Rift Valley Technical Training Institute as a trainer for 15 years, served as Chair of Disciplinary committee and a member of Guiding & counselling committee. She joined Kisiwa TTI in January 2020 as the Deputy Principal Administration



Name: Charles L. Nyongesa

D.O.B: 24/04/1972.

Key Qualification: MBA-Finance Option Catholic University, MED-Planning Option, the University of Nairobi, BED- Accounting/Mathematics, the University of Nairobi. He is a Member of Kenya Association of Educational Administration and Management.

Work Experience: Mr. Lumuli has a 27 year teaching experience having taught at Kibabii High School for 18 years and later joined



KISIWA TECHNICAL TRAINING INSTITUTE

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

Kisiwa TTI from 2014 to date. He was a HOD Liberal studies for 4 years. Currently he is the

Deputy Principal in charge of academics

Name: Anna Ameyo

D.O.B: 05/05/1975.

Key Qualification: Bachelor's Degree of Education in Home science and Technology and Higher National Diploma in Human Resource Management.

Work Experience: She has 19 years teaching experience in technical institutions having taught at Friends College Kaimosi for 9 years and Kisiwa TTI from 2013 to date. She taught in Karibuni Girls, Kimalewa Secondary School and Namwela High School before joining TVET. She has been a Head of HIM department and an Internal Quality Assurance Officer of the Institute. She was appointed the registrar in September, 2022



Name: ROBERT KIMAKWA

DOB: 14/01/1971

Key Qualifications: Holds a Bachelors of Education (Technology Education-Building & Construction Technology) from the University of Eldoret

Work experience: 28 years of teaching having taught at Western College of Science and Technology for 6years, a teacher and HoD technical department Bokoli Boys High School for 5years, a teacher Lumonya Secondary School for 3yrs, trainer at The Shamberere national polytechnic for 6 months, trainer and HoD Building Department Kisiwa TTI for 13years. Mr. Kimakwa acted as a principal of Butula TVC for 9 months.

Currently, he is a Registrar Administration

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Name: Stephen Kiptum

D.O.B: 1/07/1987.

Key Qualification: Bachelor of Education (Power Mechanics Technology) second class (upper division), Moi University Bachelor of Education.

Work Experience: Joined Kisiwa TTI in August 2015 as an automotive trainer. In 2018, he was appointed as Assistant dean of students and later appointed as Ag Dean of Students in June 2022



Name: CPA Nekesa J. Barasa

D.O.B: 26/03/1984

Key Qualification: Bachelor of Commerce (Accounting Option)-Kibabii University, Diploma in Accountancy –Kitale Technical Training Institute.CPA (K)-Certified Public Accountant of Kenya.

Work Experience: She worked as an Accounts Clerk at St. Peter's Mwiruti Girls Secondary School from 2009 to 2013, an Accounts Clerk at Moi Girls High School Kamusinga from 2013 to 2017, Finance officer Shamberere Technical Training Institute from 2017 to 2020, and Internal Auditor Kisiwa TTI from 2020 to 2022.

Currently she is the Finance Officer Kisiwa TTI.



Name: Lydia N. Waeno

D.O.B: 16/05/1993.

Key Qualification: Bachelor's Degree in Purchasing and Supplies

Management and is a member of KISM.

Work Experience: She previously worked with Axis Design and Construction Solutions Ltd as a Procurement Administrator and Safiri Ltd as a Procurement Clerk. She is the Senior Procurement Officer of Kisiwa TTI.



KISIWA TECHNICAL TRAINING INSTITUTE

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

Name: CHRP Brian Ingaitisa

D.O.B: 03/10/1983



Key Qualification: Bachelor of Commerce (Business Administration Option)-Masinde Muliro University of Science and Technology, HND in Human Resource Management-The College of Human Resource Management, Diploma in Personnel Management –Railway Training Institute. CHRP (K)

Work Experience: He worked as HR assistant- Uchumi supermarket 2012-2018, HRO Ramogi Institute of Advanced Technology 2018-2020. He is the Human Resource Officer Kisiwa TTI.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

5. Chairman's Statement

As the Board of Kisiwa Technical, our primary goal is to ensure the institution not only meets but consistently exceeds its mandate. We are committed to supporting initiatives that enhance our achievements while addressing challenges arising from significant growth. Kisiwa Technical has reached a remarkable milestone with enrolment surpassing 7,000. This growth reflects the quality of education we provide and the increasing demand for our programs. However, rapid expansion brings challenges, particularly in maintaining high educational standards. One pressing issue is staffing. The increase in student numbers necessitates more trainers and support staff. To address this, the Board has supported the recruitment of over 105 additional trainers, aiming to improve the student-to-teacher ratio. This strategic move is expected to enhance the overall learning experience and provide personalized attention to students, ensuring that we maintain high standards of training. Additionally, we commend the administration's proactive approach to curriculum development. The continuous review and updating of our curriculum ensures relevance to industry needs. The introduction of new medical-related courses, such as Medical Laboratory Technology and Health Records Management, exemplifies our commitment to aligning training programs with current demands. This curricular expansion equips students with the necessary skills to excel in the healthcare sector. We are also pleased with the institution's active participation in research and innovation, as well as co-curricular activities. These efforts have resulted in significant successes regionally and nationally, showcasing our dedication to fostering a well-rounded educational experience.

Our students have consistently excelled in various academic and extracurricular arenas, contributing positively to the broader community. In terms of infrastructure, Kisiwa Technical has undertaken key projects. Notably, we completed the first phase of a new engineering workshop, requiring a Ksh 67 million investment. This facility will enhance practical training opportunities, better preparing students for their careers. We have made strides in environmental sustainability with the construction of an underground water tank for Ksh 5 million, improving our water management practices. Additionally, a Ksh 3 million transformer has upgraded our electrical infrastructure, ensuring reliable power supply for our facilities.

Furthermore, we acquired an additional acre of land through prudent financial management. This space will facilitate future expansion projects, allowing us to enhance our facilities and better serve

KISIWA TECHNICAL TRAINING INSTITUTE

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

our students and staff. Currently, we are constructing a new tuition block to accommodate our growing student population and maintain high-quality educational experiences. The Board remains committed to fulfilling its mandate. We are encouraged by the institution's growth and achievements and are dedicated to addressing the challenges that accompany expansion. Our support extends to infrastructural improvements, curriculum development, research, and community engagement.

We look forward to witnessing continued progress and success at Kisiwa Technical Training Institute.



SIGNATURE _____

GOV. MARTIN RICHARD WAMALWA

CHAIRPERSON, BOARD OF GOVERNORS

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

6. Report of the Senior Principal

It is with great pleasure that I present the annual performance report for Kisiwa TTI for the financial year ended 30th June 2024. This year has been marked by remarkable growth and development, underscoring our commitment to fulfilling our mandate of producing skilled and knowledgeable professionals for all sectors of the economy.

Our primary mission is to provide high-quality technical education that not only meets the quantitative needs of industry but also ensures that our graduates possess the qualitative skills required to excel in their careers. In the year under review, we have seen a notable increase in student enrollment, which has risen from 5,800 to 7,062. This substantial growth of 21.7% highlights the increasing recognition of our programs and the growing demand for technical education. This impressive growth reflects the rising recognition of the value of our programs and the growing demand for technical education. It is a clear indication that more students are seeking to acquire practical skills that are essential for their future professional success.

A major development this year has been our transition to Competency-Based Education and Training (CBET), a move supported by the Curriculum Development Assessment and Certification Council (CDACC). This shift is aimed at aligning our training programs with industry standards, ensuring that they are relevant and practical. Since September 2023, we have registered over 2,500 students in various disciplines, excluding Health Sciences. This transition to CBET represents a significant advancement in our efforts to provide education that meets the practical needs of the workforce.

In response to our expanding student population and the increasing demand for upgraded facilities, the institute has undertaken significant investments in infrastructure development over the past year. These enhancements are crucial for accommodating our growing number of students and ensuring that our facilities meet the highest standards of modern education.

A major highlight of this year's investments in infrastructure is the completion of Phase One of our Engineering Complex. This new facility, developed with an investment of Ksh 67 million, represents a significant leap forward in our capacity to deliver top-tier engineering education. The Engineering Complex is designed to provide our students with access to state-of-the-art resources and equipment that are essential for hands-on learning and practical experience. The advanced laboratories, cutting-edge machinery, and modern classrooms incorporated into this complex will

KISIWA TECHNICAL TRAINING INSTITUTE

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

greatly enhance the quality of our engineering programs. By offering a contemporary learning environment, we are better equipped to prepare our students for the demands of the engineering field and to support their educational and professional development.

In addition to the Engineering Complex, we have completed the construction of an underground water tank, which represents another critical investment in our campus infrastructure. The underground water tank, with a construction cost of Ksh 5 million, is a vital addition to our campus facilities. Reliable access to water is essential for a wide range of campus operations, including maintaining cleanliness, supporting various training activities, and ensuring the overall functionality of our facilities. This new water tank will provide a consistent and dependable water supply, addressing any previous challenges related to water availability and ensuring that our campus can effectively support the daily needs of both students and staff.

Further, the management acquired an additional one-acre piece of land, which will allow for future growth and development of the institute. We have also invested Ksh 5 million in installing our own transformer, ensuring a stable and reliable power supply. This upgrade is essential for meeting the increased energy demands of our expanded infrastructure. Additionally, a Safaricom mast has been installed and is now operational, improving communication and connectivity on the institute.

The management is also in the process of constructing a new 12-roomed 2-storey tuition block at a cost of Ksh 37 million. This new facility is expected to be completed by the end of November 2024 and will address the increasing need for classroom space due to our growing student population. Furthermore, the institute has completed the construction of an exhaustible pit latrine to provide essential sanitary amenities for both students and staff.

The infrastructural developments are not only improvements in physical assets; they are integral to our broader goal of enhancing the overall educational experience at Kisiwa TTI. By investing in these advanced facilities, we are reinforcing our commitment to providing high-quality technical education and creating an environment where our students can thrive academically and professionally.

Our commitment to holistic development is reflected in our students' active participation in various co-curricular activities. They have achieved notable successes both at regional and national levels in ball games, research and innovation, athletics, scouting, music and drama. These accomplishments demonstrate the diverse talents of our students and our dedication to nurturing well-rounded individuals.

KISIWA TECHNICAL TRAINING INSTITUTE

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

In conclusion, the financial year ended 30th June 2024 has been a period of exceptional progress for Kisiwa TTI. Our increased enrollment, significant infrastructure investments, and successful adoption of CBET highlight our commitment to providing high-quality technical education. These achievements not only enhance our institute's capabilities but also reinforce our role in producing skilled professionals who will contribute effectively to various sectors of the economy.

Thank you for your continued support.

SIGNATURE



MR. EMMANUEL WAMALWA

SENIOR PRINCIPAL/SECRETARY. BOG

KISIWA TECHNICAL TRAINING INSTITUTE

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

7. Statement of Performance against Predetermined Objectives

Kisiwa TTI has 5 strategic pillars and objectives within the current Strategic Plan for the 2022 – 2027 FY. These strategic pillars are as follows:

1. Training
2. Research and innovation
3. Financial growth and sustainability
4. Institutional strengthening and positioning
5. Human resource development

Kisiwa TTI develops its annual work plans based on the above 5 pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Kisiwa TTI achieved its performance targets set for the FY 2023/2024 period for its (5) strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Training/Institutional strengthening and positioning	To expand learning and teaching infrastructure	Construction of Tuition Block	<ul style="list-style-type: none"> ➤ Procurement of works for construction of tuition block ➤ Construction of Tuition Block 	<ul style="list-style-type: none"> ➤ Completed design and secured permits ➤ Tuition Block to be completed end of November 2024
	To acquire more land for expansion	Purchase of Land	<ul style="list-style-type: none"> ➤ Sourcing and assessing of land options ➤ Negotiate purchase price and finalize on purchase agreements 	<ul style="list-style-type: none"> ➤ Purchased 1 acre piece of land
	To install solar lighting	Solar Installation	<ul style="list-style-type: none"> ➤ Install solar lighting in key areas 	<ul style="list-style-type: none"> ➤ Solar panels installed on campus ➤ Reduced electricity costs
	To harvest rain water	Underground Water Tank	<ul style="list-style-type: none"> ➤ Procurement of works for the construction of 	<ul style="list-style-type: none"> ➤ Ground water tank constructed

KISIWA TECHNICAL TRAINING INSTITUTE

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

			underground water tank	➤ Increased water supply for the institution
	To construct exhaustible pit latrines	Exhaustible Pit Latrine	➤ Procurement of works for the construction of the exhaustible pit latrine	➤ Completed construction of exhaustible pit latrines ➤ Improved sanitation in the institution
	To construct basketball pitch	Basketball Pitch	➤ Procurement of materials for basketball court	➤ Basketball pitch constructed ➤ Increased student engagement in sports
Training	Increase number of CBET courses	Increase in CBET courses	➤ Application for Accreditation ➤ Procurement of OS and Curriculum	➤ Increased number of courses and students enrolment.

KISIWA TECHNICAL TRAINING INSTITUTE**Annual Report and Financial Statements for the year ended 30th June 2024****8. Corporate Governance Statement****Number of Board Meetings and Attendance**

The Board consists of 8 members. Initially they were 9 members but one exited in the course of the year. Members of the current Board were appointed by the cabinet secretary in March 2023 and were inaugurated in April 2023.

Board Members and their meeting attendance were as indicated below;

NO.	NAME	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	
		17/07/23	Dec 2023	26/01/24	16/04/24	04/05/24
1.	Jorim Guya	✓	✓	✓	✓	✓
2.	Martha Wekesa	✓	✓	✓	✓	✓
3.	Zenah Jepchirchir	✓	✓	✓	✓	✓
4.	Martin Wamalwa	✓	✓	✓	✓	✓
5.	Doreen Simiyu	✓	✓	✓	✓	✓
6.	Joseph Owala	✓	✓	✓	✓	✓
7.	Arnold B. Wekesa	✓	X	X	X	X
8.	Johnkevin Otwani	✓	✓	✓	✓	✓
9.	Amos Makokha	✓	✓	✓	✓	✓

Besides the above noted meetings, the Board held one ad hoc meeting in the period under review, on 26th April 2024 for land acquisition negotiations. Attendance of the meeting was as follows;

NO.	NAME	4 TH QUARTER
		26/04/2024
1.	Martin Wamalwa	✓
2.	Martha Wekesa	✓
3.	Zenah Jepchirchir	✓
4.	Jorim Guya	✓
5.	Doreen Simiyu	✓
6.	Joseph Owala	✓
7.	Johnkevin Otwani	✓
8.	Amos Makokha	✓

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

**Board of Governors
 Committees**

The Board Committees facilitate decision-making to assist in the execution of its duties, powers and authority, however delegation of authority to the Committees does not in any way mitigate or dissipate the discharge by the Board of its duties and responsibilities. Board Committees have been established with formal written terms of reference and observe the same rules of conduct and procedures as the Board.

In the financial year 2023/2024 the Board approved the following committees;

**I. RESEARCH TRAINING AND HUMAN RESOURCE
 COMMITTEE**

Membership and meeting attendance was as shown below:

NO.	NAME	1 ST QUARTER	2 ND QUARTER	3 RD QUARTER		4 TH QUARTER	
		10/08/23	28/11 23	25/01/24	16/02/24	-	-
1	Jorim Guya	✓	✓	✓	✓	-	-
2	Martha Wekesa	✓	✓	✓	✓	-	-
3	Amos Makokha	✓	✓	✓	✓	-	-
4	Johnkevin Otwani	✓	✓	✓	✓	-	-

Mandate

- i. Oversee of the implementation of academic programs and standards.
- ii. Approval of training programs.
- iii. Monitoring, evaluation, and reporting of quality of training programs.
- iv. Ensuring the relevance of training to labour market requirements.
- v. Evaluation of the cost and cost effectiveness of various training programs.
- vi. Determine the optimum enrolment of training programs.
- vii. Evaluation of examination criteria, procedure and results.
- viii. Determination and approval of the certificates to be awarded by the Institute and other awards.
- ix. Ensuring the overall competence of Institute graduates.
- x. Promoting research and innovation by staff and students.

KISIWA TECHNICAL TRAINING INSTITUTE

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

- xi. Promotion and establishment of a culture of excellence in both staff and students.
- xii. Ensuring that overall pride in the goals and aspirations of the Institute are embraced and upheld by staff and students.
- xiii. Enhance/promote linkages/collaborations with industry and other stakeholders
- xiv. Enhancement and implementation of the Institute Policies and Strategic Plan.
- xv. Oversee hiring and promotion of Board of Governors staff.
- xvi. Discipline of both trainers and Board of Governors staff.
- xvii. Oversee preparation of Graduation Ceremony

II. FINANCE, ADMINISTRATION AND INFRASTRUCTURE COMMITTEE.

Membership and meeting attendance was as below:

NO.	NAME	1 ST QUARTER		2 ND QUARTER	3 RD QUARTER	4 TH QUARTER
		9/07/23	20/09/23	11/10/23	10/01/2024	11/04/2024
		1.	Zenah	✓	✓	✓
2.	Martha Wekesa	✓	✓	✓	✓	✓
3.	Johnkevn	✓	✓	✓	✓	✓
4.	Arnold Bwisa	✓	✓	✓	X	X
5.	Joseph Owala	X	X	X	✓	✓

Mandate

- a. Oversight of annual operating plan and budget development including recommendation to the management for Board s approval.
- b. Oversight of the structure with assistance of staff to develop the fee structure.
- c. To ensure the solvency of the Institute – finance mobilization.
- d. To safeguard the Institute assets.
- e. To ensure the effective and efficient use of resources.
- f. To ensure that the funds provided by GoK and any other funding body are used in accordance with the terms and conditions specified.
- g. To ensure that financial control systems are in place and are working effectively.
- h. To facilitate the preparation of the Institute Strategic Plan for Board approval.
- i. To identify and recommend to the Board the Institutes internal auditors.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

- j. Ensuring accurate and timely report to the Board on all administrative and financial issues.
- k. Implementation and supervision of Institutions projects and other Institute projects (internal and external).
- l. Ensure compliance with all statutory and labour laws in management of staff.
- m. Mentor other training institutions on behalf of GoK.

III. RISK AND AUDIT COMMITTEE

Membership and meeting attendance was as follows:

NO.	NAME	1 ST QUARTER		2 ND QUARTER	3 RD QUARTER	4 TH QUARTER
		23/07/23	Aug 23	29/11/23	26/01/24	24/05/24
		1.	Joseph Owala	✓	✓	✓
2.	Doreen Simiyu	✓	✓	✓	✓	✓
3.	Amos Makokha	✓	✓	✓	✓	✓

Mandate

i. To Examine.

- Compliance with labour laws and regulations.
- Compliance with security, health and safety regulations.
- Compliance with Government of Kenya (GoK) Policy.
- Compliance with Board of Governors Policy.
- Compliance with established professional standards.
- Compliance with ISO guidelines and standards.
- Compliance with contractual obligations and statutory requirements.
- Compliance with approved Procurement Plan and Budget.

ii. To evaluate.

- Achievement of targets and as set in the strategic and work plan.
- The application of ethical standards and core values in the pursuit of vision goals.
- Overall efficiency and effectiveness.
- Financial records and reporting.
- Benefits of the use of technology.
- Application of the value for money principles and due diligence measures.

KISIWA TECHNICAL TRAINING INSTITUTE

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

- The benchmarking standards being applied in each area of operation.
- The cost of doing business.
- The level of utilization of existing capacity all round
- Achievement of revenue targets.

Annual Report and Financial Statements for the year ended 30th June 2023

- The level of financial discipline.
- Risk associated with non- optimal stock levels.
- Risk associated with non – compliance with statutory and contractual obligations.
- Cash in transit systems.
- Relations with and levels of satisfaction of key stakeholders.
- Spread and diversification of risks
- Litigation risks and costs.
- To identify insurable and no insurable risks.

Board Charter

The governance of the institute is directed by contents as outlined in the Kisiwa TTI Board Charter. The charter was developed based on the various government policy documents such as the Mwongozo. The charter clearly outline best governance principles guiding Board operations such as size of the Board, appointments, duties, resignation, procedure for meetings, communication, liability of members and conflict of interest.

Succession Plan

The Board is composed of eight (8) members. Each member is entitled to a 3 year term renewable up to a maximum of 2 terms. No Board at any particular time will be composed of all new members as a way of ensuring smooth transition.

Process of Appointment and Removal of Board Members

Appointment of Board members is done by Cabinet Secretary for Ministry of Education on basis of nominees proposed by various stakeholders. Removal of a Board member is guided by

KISIWA TECHNICAL TRAINING INSTITUTE

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

Mwongozo which include but not limited to: resignation notice by a member, incapacitation of a member and failure of a member to attend 3 consecutive meetings without notice.

Roles and Functions of the Board

The Board has a basic responsibility of exercising the best judgment and in a manner believed to be reasonable and in best interest of the organization and other stakeholders. Some of the roles and functions as outlined under Mwongozo include:

- i. Determination of the organizations Mission, Vision, Purpose and core values.
- ii. Reviewing, evaluating, and approving on regular basis long-term plans for the organization.
- iii. Reviewing, and evaluating organization`s budget and financial forecast.
- iv. Reviewing, evaluating and approving major resource allocation and capital investments.
- v. Ensuring effective, accurate, timely and transparent disclosure of pertinent information on the operations of the organization.
- vi. Monitoring compliance with the constitutions, applicable laws, regulations and standards.

Induction and Training of Board Members

In line with recommendation of Mwongozo, KISTTI undertakes induction programs aimed at empowering members to enable them to be effective in discharge of their duties. Induction programs normally covers institutional organizational programs, institutional financial status and policies, risk management compliance programs and code of conduct and ethics. Gap analysis is normally what informs the nature of the training. Induction of the new board was conducted in November 2023.

The audit and risk management committee was trained in quarter 3 of the financial year under review.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Conflict of Interest

The Board is aware of the impact of conflict of interest on effectiveness of discharge of its mandate. Members of the board observed each of the specific conduct contained in statutes governing ethical behavior and the required professional ethics where applicable. For instance, every meeting has a conflict of interest as an agenda item where every member is supposed to make a declaration on area(s) of conflict prior to the discussion of the agenda item(s) in a meeting. During the financial year 2023/2024 there was no member who had a conflict of interest on any of the agenda item(s).

Board Remuneration

The Board are remunerated as a form of facilitation. The remuneration is in the form of sitting allowance and transport. Pay as you earn is deducted at the rate of 30% of sitting allowance and remitted accordingly.

Ethics and Governance as well as Governance Audit

The Board was fully aware of the need to abide by code of conduct and Ethics for State Corporation which focuses on ethical conduct and integrity at the workplace. The Board was guided by values in its operation which include respect for people, integrity, transparency and accountability, teamwork and efficiency.

The Board deals with all stakeholders in a professional, impartial and competitive manner in line with government policy documents. The operation ensures that governance audit is undertaken annually covering various parameters as defined under Mwongozo as part of statutory requirements. Similarly, periodic audit is done by Audit and Risk Management Committee as a way of ensuring conformity to various audit parameters

KISIWA TECHNICAL TRAINING INSTITUTE

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

Board Members Performance

I am pleased to report on the outstanding performance of the Board for the just-ended financial year. The board's commitment to excellence, financial management, and infrastructure development has been remarkable, and we are proud to share our achievements.

The Board team has been diligent in ensuring that the institute's financial resources are used efficiently and effectively. The board has also put in place measures to ensure that all financial transactions are transparent and accountable. In terms of infrastructure development, the board has made significant progress in completing a two storey tuition block. The tuition block will provide additional space for classrooms.

The acquisition of one acre piece of land was a significant milestone in expanding the institute's infrastructure. The land will be used for future development projects. Another significant achievement was the construction of an underground water tank, which will help address the water shortage problem that has been affecting the institute. The water tank will provide a reliable source of water for the college, which will reduce our reliance on external sources.

The completion of exhaustible pit latrines was another significant achievement.

In conclusion, the board's performance in the just-ended financial year has been exceptional. The board's commitment to excellence, financial management, and infrastructure development has been evident in all our projects. We are confident that with continued support from all our stakeholders, we will achieve even greater success in the future. Thank you for your continued support.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

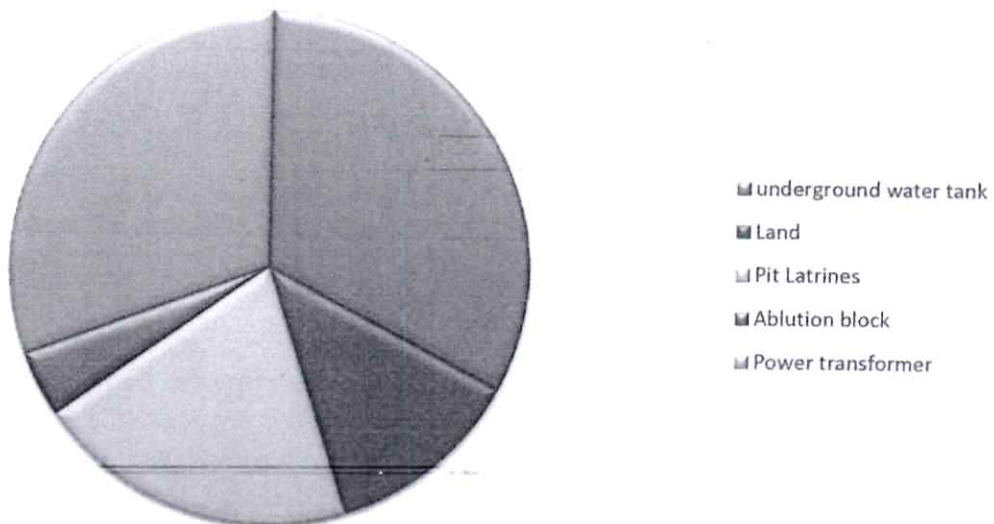
9. Management Discussion and Analysis

(In the year under review, the income earned was **Kshs. 371,881,230** while expenditure incurred was **Kshs. 338,809,750**. This resulted in a surplus of **Kshs.33,071,480**

Due to prudent financial management, the Institute was able to carry out some projects from internal savings. The major projects that the Board undertook within the financial year include:

- i) Construction of underground water tank – Kshs.5,440,920
- ii) Purchase of one acre piece of land – Kshs.2,050,000
- iii) Construction of students’ pit latrines – Kshs.3,362,016
- iv) Staff ablution block – Kshs.692,345
- v) Installation of power transformer – Kshs.5,119,748

The total savings utilized on main projects was Kshs.16, 665,029 shared out as follows;



Other projects funded partially by the Ministry included:

- i) Construction of tuition block – Kshs. 36,256,800

KISIWA TECHNICAL TRAINING INSTITUTE

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

The Institute has always complied with statutory requirements by submitting financial reports on time, following the PFM Act, recruiting staff in a competitive way as per the Human Resource guidelines, prudent utilization of funds, following the presidential directives, among others.

Some of the risks during the year included; high rate of drop out of trainees due to fees issues, and high turnover of trainers, under-funding that led to most of the planned activities not to be undertaken and security risks due to porous fence.

10. Environmental and Sustainability Reporting Statement

Sustainability strategy and profile

Kisiwa TTI is responsible in the management of natural resources to fulfill current needs without compromising the ability of future generations. By reducing paperwork gradually, reducing waste, and ensuring that the stakeholders do business by utilizing sustainable practices within the institute. The Institute's sustainability strategy and profile focuses on the following priority areas; research and innovation, carbon emission, curriculum implementation, sustainable use of resources and tree planting.

Environmental performance

In the year under review, Kisiwa TTI achieved the following environmental milestones namely:

- i. Planted over 17,000 trees in the institute's compound and within the community
- ii. Ensured availability of dustbins in strategic locations to promote waste disposal.
- iii. Constructed underground water storage for reliable water supply.
- iv. Trainees, trainers and the community were sensitized on the importance of a clean environment through various programs and initiatives.
- v. The use of the school bus was encouraged to minimize the use of private cars, thereby reducing air pollution.

Employee Welfare

Kisiwa TTI recognizes the need of employee welfare. In the year under review, the human Resource Policy and Training manual were developed as well as employee career progression guidelines. Training needs assessment survey was conducted whose recommendations are being implemented.

KISIWA TECHNICAL TRAINING INSTITUTE

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

Market Place Practices-

Kisiwa TTI pays a keen attention to the market place practices. Besides undertaking fair marketing and respect to its competitors, the institute has come up with medium term and long term strategies to continue improving on its market share such as competitive sourcing of quotations, sensitization of the stakeholders on available procurement opportunities. Careful identification of suitable courses with relevant equipment and qualified trainers to meet the needs of the industry. In addition, the board has collaborated and signed Memoranda of understanding with different organizations as a way of widening the market share.

Corporate Social Responsibility / Community Engagements

In the financial year 2023/2024, the institute integrated CSR into our core operations, underscoring our commitment to positively impacting the communities we serve. The institute initiatives were tailored to address both immediate and long-term needs within our community such as, construction of Boda Boda Shades, blood donation drive, strengthening community relations, hospital visits and clean-up projects at the center for the blind and mentally challenged.

*Cleaning Nalondo CBM
Special School*



Members of Kisiwa staff planting trees

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024



Members of staff and trainees donating blood



Members of staff and trainees visiting the sick at the Kabuchai Health Centre

Mama mboga Shade next to the main gate



KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

11. Report of the Board of Governors

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

Principal activities

- i. To implement the curriculum and supervise examinations on behalf of approved examination bodies.
- ii. To implement and promote TVET policy.
- iii. To collect, manage and account for funds obtained from the ministry, production units and development partners.
- iv. To recruit, remunerate, discipline motivate and retain qualified teaching and non – teaching staff.
- v. Embrace gender balance and equity in staff recruitment, promotion and student enrolment.
- vi. Expand ICT facilities to enhance our technological capacity to remain relevant and competitive.
- vii. Expand academic opportunities for qualified Kenyans to access TVET programs.
- viii. To facilitate trainee's retention and completion of programs through TVET programs.
- ix. To promote innovations, research and income generating projects.
- x. To develop and improve infrastructural facilities and Programs
- xi. To spearhead relevant exposure and linkages to both students and staff.
- xii. To promote corporate social responsibility

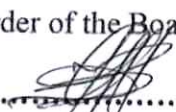
Board of Governors

The members of the Board who served during the year are shown on page xiii. During the year, one of the Governors named Arnold Bwisa was removed from the Board. Mr. Bwisa was nominated to the board by the Governor of Bungoma County. However, when it was realized that the Cabinet Secretary (CS) of the Ministry of Education's (MoE) appointment letter to officially confirm his position was not forthcoming, he was asked to step aside while awaiting the formal appointment by the CS, which has not been accomplished to date.

Auditors

The Auditor General is responsible for the statutory audit of the institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 to carry out the audit of the institute for the year/period ended June 30, 2024, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board


.....
Secretary of the Board

Date: 27/05/2025

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

12. Statement of Board of Governors Responsibilities

Section 81 of the Public Finance Management Act, 2012 and (*section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*) require the board members to prepare financial statements in respect of that institute, which give a true and fair view of the state of affairs of the institute at the end of the financial year/period and the operating results of the institute for that year/period. The board members are also required to ensure that the institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the institute. The board members are also responsible for safeguarding the assets of the institute.

The board members are responsible for the preparation and presentation of the institute's financial statements, which give a true and fair view of the state of affairs of the institute for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the institute, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the institute, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The board members accept responsibility for the institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *the State Corporations Act, and the TVET Act 2013*. The board members are of the opinion that the institute's financial statements give a true and fair view of the state of institute's transactions during the financial year ended June 30, 2024, and of the institute's financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the institute, which have been relied upon in the preparation of the institute's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the institute's ability to continue as a going concern. Nothing has come to the attention of the board 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.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024
Approval of the financial statements

The institute's financial statements were approved by the Board on 26th September 2024 and signed on its behalf by:



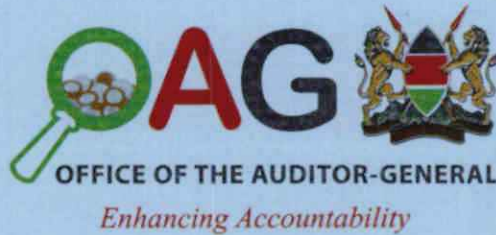
.....
Name: Martin Richard Wamalwa
Chairperson of the Board



.....
Name: Mr. Emmanuel Wamalwa
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

- A. Report on 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kisiwa Technical Training Institute set out on pages 1 to 37, which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in

net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year 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 Kisiwa Technical Training Institute as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012, and the Technical and Vocational Education and Training Act, 2013.

Basis for Qualified Opinion

1. Lack of Land Ownership Documents

The statement of financial position reflects property, plant and equipment balance of Kshs.369,443,901 which, as disclosed in Note 20 to the financial statements includes land valued at Kshs.44,400,000. However, ownership documents for three (3) parcels of land valued at Kshs.22,350,000 were not provided for audit review.

In the circumstances, the accuracy and ownership status of the land balance of Kshs.22,350,000 could not be confirmed.

2. Unconfirmed Intangible Assets Balance

The statement of financial position reflects Nil intangible assets balance as disclosed in Note 21 to the financial statements. However, the intangible assets had been fully amortized while they were still in use and had not been revalued.

In the circumstances, the accuracy and completeness of the Nil intangible assets balance could not be confirmed.

3. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and Note 17 show receivables from exchange transactions balance of Kshs.203,019,489. However, records and ageing analysis provided for audit review indicate that receivables balance of Kshs.84,066,458 had been outstanding for over one (1) year and there was no evidence that Management had put in place mechanisms to recover the long outstanding debts.

In the circumstances, the accuracy, completeness and recoverability of receivables from exchange transactions balance of Kshs.84,066,458 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kisiwa Technical Training Institute Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical

requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page v to xxxix which comprise of Key Entity Information, the Board of Governors, Management Team, Chairman's Statement, Report of the Senior Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting Statement, Report of the Board of Governors and Statement of Board of Governors Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Staff Ethnic Diversity

Review of staff bio data for the month of June, 2024 revealed that the Institute had one hundred and seventy-nine (179) staff on contract, permanent and pensionable terms, out of which one hundred and fifty-eight (158) staff or 88% were from one ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008,

which states that no public establishment shall have more than one third of its staff from the same ethnic community.

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

2. Non-compliance with Law on Accreditation and Licensing of Trainers

Review of staff records showed that the Institute had one hundred and sixty-nine (169) trainers as at 30 June, 2024. However, verification of licensing documentation showed that out of the 169 trainers, only five (5) trainers had been licensed contrary to Section 23(1) of the Technical and Vocational Education and Training Act, 2013 which states that any person who intends to become a trainer in an institution shall apply for licensing and registration by the Board in accordance with the provisions of this Act.

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

3. Failure to Undertake Board Performance Evaluation

Review of Board members records revealed that the Board did not establish performance targets, conduct board evaluations for the full Board, its committees, or individual members and did not submit performance reports to its stakeholders during the year under review contrary to Section 4.12 of Chapter 1 of Mwongozo Code of Governance for State Corporations which requires that the Board should determine its performance and undertake an evaluation of its performance.

In the circumstances, the Board was in breach of the Law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Information And Communication Technology (Ict) Environment Internal Controls Weaknesses

Review of Information and Communication Technology (ICT) control environment and records of the Institute indicated that the ICT section lacked critical documents which

include the ICT strategic plan and an approved ICT policy. Further, the Institute had not established an ICT Steering Committee. This was contrary to Regulation 110 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that Accounting Officer for a National Government entity should institute appropriate access controls needed to minimize breaches of information confidentiality, data integrity and loss of business continuity.

In the circumstances, the effectiveness of the Institute's ICT environment internal controls could not be confirmed.

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

Responsibilities of Management and the Board of Governors

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

In preparing the financial statements, Management is responsible for assessing the 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 its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

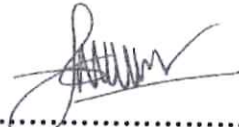
Nairobi


04 June, 2025


KISIWA TECHNICAL TRAINING INSTITUTE**Annual Report and Financial Statements for the year ended 30th June 2024****14. Statement of Financial Performance for the Year Ended 30 June 2024**

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from the National Government – grants/ gifts in kind	6	185,532,458	69,926,974
Total Revenue from non-exchange transactions		185,532,458	69,926,974
Revenue from exchange transactions			
Rendering of services- Fees from students	7	180,843,243	243,035,196
Sale of goods	8	1,318,575	4,743,130
Rental revenue from facilities and equipment	9	3,687,764	6,217,362
Other income	10	499,190	528,230
Revenue from exchange transactions		186,348,772	254,523,918
Total revenue		371,881,230	324,450,892
Expenses			
Use of Goods and Services	11	247,770,736	153,734,304
Employee costs	12	49,098,145	45,591,140
Remuneration of directors	13	4,028,150	2,411,100
Depreciation and amortization expense	14	21,365,885	18,381,014
Repairs and maintenance	15	16,546,834	16,126,630
Total expenses		338,809,750	236,244,188
Net Surplus/Deficit for the year		33,071,480	88,206,704

(The notes set out on pages 7 to 35 form an integral part of the Annual Financial Statements).


.....
Mr. Martin Wamalwa
Chairman of Board


.....
Mr. Emmanuel Wamalwa
Principal


.....
CPA Nekesa Janet
Finance Officer

Date 27/05/2025

Date 27/05/2025


ICPAK No. 22391
Date 27/05/2025

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024


15. Statement of Financial Position as At 30th June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current assets			
Cash and cash equivalents	16	45,198,522	27,766,031
Receivables from exchange transactions	17	203,019,489	281,460,315
Receivables from non- exchange transactions	18	56,730,148	
Inventories	19	4,523,454	4,097,123
Total Current Assets		309,471,613	313,323,469
Non-current assets			
Property, plant and equipment	20	369,443,901	327,893,752
Intangible assets	21	0	0
Biological Assets	22	2,388,902	2,388,900
Total Non-current Assets		371,832,803	330,282,652
Total assets		681,304,416	643,606,122
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	23	37,110,096	22,558,441
Refundable Deposits from Customers/Students	24	2,815,522	0
Payments received in advance	25	47,991,782	85,732,145
Total Current Liabilities		87,917,400	108,290,586
Non-current liabilities			
Total Non-current liabilities		0	0
Total liabilities		87,917,400	108,290,586
Capital and Reserves			
Revaluation		294,320,525	294,320,525
Capital Reserves		67,373,310	42,373,310
Accumulated surplus		231,693,181	198,621,701
Total Capital and Reserves		593,387,016	535,315,536
Total Liabilities and Capital & Reserves		681,304,416	643,606,122


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



Mr. Martin Wamalwa
 Chairman of Board



Mr. Emmanuel Wamalwa
 Principal



CPA Nekesa Janet
 Finance Officer

Date 27/05/2025

Date 27/05/2025

ICPAK No. 22391
 Date 27/05/2025

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

16. Statement of Changes in Net Asset for the Year Ended 30 June 2024

	Revaluation reserve	Retained earnings	Capital/ Development Grants/Fund	Total
Balance b/f as at July 1, 2021	294,320,525	6,662,544	19,542,894	320,525,963
Capital/Development grants received during the year			22,830,416	22,830,416
Capital Grants for Sirisia TVC				-
Capital Grants for Navakholo TVC				-
Total comprehensive income		103,752,453		103,752,453
Balance c/d as at June 30, 2022	294,320,525	110,414,997	42,373,310	447,108,832
Balance b/f as at July 1, 2022	294,320,525	110,414,997	42,373,310	447,108,832
Capital/Development grants received during the year				-
Capital Grants for Sirisia TVC				-
Capital Grants for Navakholo TVC				-
Total comprehensive income		88,206,704		88,206,704
Balance c/d as at June 30, 2023	294,320,525.00	198,621,701.00	42,373,310.00	535,315,536
Balance b/f as at July 1, 2023	294,320,525	198,621,701	42,373,310	535,315,536
Capital/Development grants received during the year			25,000,000	25,000,000
Revaluation of intangible asset(ABN Unisol)	-			-
Capital Grants for Navakholo TVC				-
Total comprehensive income		33,071,480		33,071,480
Balance c/d as at June 30, 2024	294,320,525.00	231,693,180.73	67,373,310.00	593,387,016

KISIWA TECHNICAL TRAINING INSTITUTE

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

17. Statement of Cash Flows for the Year Ended 30 June 2024

		2023/2024	2022/2023
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other Government entities/Govt. grants	6b	128,827,310	69,926,974
Rendering of services- Fees from students	7b	140,142,780	101,311,870
Sale of goods	8	1,318,575	449,685
Rental revenue from facilities and equipment	9	3,687,764	5,976,962
Other income	10	499,190	528,230
Total Receipts		274,475,619	178,193,721
Payments			
Use of Goods and Services	11 b	210,660,640	116,432,424
Compensation of employees	12	49,098,145	45,591,140
Remuneration to Governors	13	4,028,150	2,411,100
Repairs & Maintenance	15	16,546,834	16,126,630
Total Payments		280,333,769	180,561,294
Net cash flows from operating activities	26	55,348,526	(2,367,573.00)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	20	(62,916,034)	(25,021,148)
Net cash flows used in investing activities		(62,916,034)	(25,021,148)
Cash flows from financing activities			
Development Grants		25,000,000	
Repayment of borrowings			
Net cash flows used in financing activities		25,000,000	0
Net increase/(decrease) in cash and cash equivalents		17,432,492	-27,388,721
Cash and cash equivalents at 1 July 2023		27,766,031	55,154,751
Cash and cash equivalents at 30 June 2024		45,198,522	27,766,030
Cash and cash equivalents as per the Balance Sheet	16	45,198,522	27,766,031

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

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

	Original	Adjustments	Final	Actual		%	Explanation of material
	Budget		Budget	Figures	Variance	Variance	varriance
	Shs	Shs	Shs	Shs	Shs		
Revenue							
Transfers from National Government Ministries							
Capitation	165,750,000	23,250,000	189,000,000	185,532,458	-3,467,542	-2	
Rendering of services							
Tuition fee	200,980,000	(22,688,100.00)	178,291,900	180,843,243	2,551,343	1	
Sale of goods and services	6,426,000	(5,106,000.00)	1,320,000	1,318,575	(1,425)	0	
Rental revenue from facilities and equipment	4,867,430	(3,167,430.00)	1,700,000	3,687,764	1,987,764	117	Increased enrollment in boarding(West Pokot)
Other income	816,000	(510,000.00)	306,000	499,190.00	193,190	63	Increased enrollment in driving school
Total income	416,839,430	(21,221,530.00)	395,617,900	371,881,230	1,263,330		
Development Grants	38,000,000	(13,000,000.00)	25,000,000	25,000,000	-	0	
Expenses							
Personnel Emolument	71,925,129	-11,456,098	60,469,031	49,098,145	11,370,886	19	Reduction in number of employees both teaching and non-teaching staff. Budget provision for gratuity not implmented.
BOG Allowances	5,600,000	(820,000.00)	4,780,000	4,028,150	751,850	16	Reduced physical meetings
Repairs and maintenance	25,000,000	2,000,000.00	27,000,000	16,546,834	10,453,166	39	Reduced repairs
General expenses	240,779,701	(4,173,134.00)	236,606,567	247,770,736	(11,164,169)	-5	
Total expenditure	343,304,830		28,855,598	317,443,865	11,411,733		
Surplus for the period	73,534,600		41,762,302	54,437,365	12,675,063		
Development Grant	44,500,000	4,500,000.00	49,000,000	43,747,720.00	5,252,280	11	Scheduled activities not funded completely

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Budget Notes

- The positive adjustment on the original capitation budget was due to introduction of the new funding model which results to increased government subsidy as compared to the old funding model
- Increase in subsidy results into reduction in parent obligation hence negative adjustment of tuition fee budget
- Adjustment of rental revenue came as a result of perceived reduction in the number of resident trainees due to lack of NYS sponsored trainees
- Budget reduction on Personnel Emoluments came as a result of non-implementation of the planned salary adjustment.

19. Notes to the Financial Statements

1. General Information

KISTTI is established by and derives its authority and accountability from TVET Act 2013. The institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The institute's principal activity is training.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying KISTTI'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 values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

KISIWA TECHNICAL TRAINING INSTITUTE

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

3. Adoption of New and Revised Standards

Standard	Effective date and impact:
<p>IPSAS 43: Leases</p>	<p>Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Institute. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p>Applicable 1st January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p>Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

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

i. Early adoption of standards

KISTTI did not early adopt any new or amended standards in year 2023/2024.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2023/2024 was approved by the Board on 24th January 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the institute upon receiving the respective approvals 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 cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

c) Taxes

Current income tax

The institute is exempt from paying taxes as per the first schedule of the Income Tax Act Act Cap 470.

Sales tax/ Value Added Tax

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

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

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

d) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. *Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over years or investment property is measured at fair value with gains and losses recognised through surplus or deficit.* 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

KISIWA TECHNICAL TRAINING INSTITUTE

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

the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

e) Property, plant and equipment

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

Depreciation is provided for at the following rates

Motor vehicle	25%
Furniture & fittings	12.5%
Computer	33.3%
Building	2%
Library books	20%
Plant & equipment	12.5%

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Institute. 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 Institute also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Institute 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 Institute. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Research and development costs

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

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

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

i) Financial instruments

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

KISIWA TECHNICAL TRAINING INSTITUTE

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

KISIWA TECHNICAL TRAINING INSTITUTE

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The institute assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The institute recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

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

j) Inventories

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

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

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

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

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Inventories (Continued)

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

k) Provisions

Provisions are recognized when the *Institute* 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 *Institute* 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 *Institute* 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 *Institute* 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 *Institute* in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Social Benefits

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

m) Nature and purpose of reserves

The *Institute* creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

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

o) Employee benefits

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Retirement benefit plans

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

p) Foreign currency transactions

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

q) Borrowing costs

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

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

r) Related parties

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

s) Service concession arrangements

The *Institute* 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 *Institute* 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 *Institute* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

t) Cash and cash equivalents

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

u) Comparative figures

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

v) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *institute'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 Institute based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Institute. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available.

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

KISIWA TECHNICAL TRAINING INSTITUTE

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

6. Transfers from National Government entities

Description	2023/2024	2022/2023
	KShs	KShs
Unconditional grants		
Capitation grant	68,810,500	59,699,000
Scholarship grant	105,103,752	
Operation grants	500,000	
NYS Fees		10,227,974
Conditional grants		
Sirisia development grants	1,278,000	
Mt. Elgon TVC development grants	9,840,206	
Total Government grants and subsidies	185,532,458	69,926,974

6 (a). Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY
	Kshs	Kshs	Kshs	Kshs	Kshs
State Department of TVET	185,532,458	0	0	185,532,458	59,699,000
NYS Fees	0	0	0	0	10,227,974
Total	185,532,458	-	-	185,532,458	69,926,974

6 (b) Transfers from other Government entities (Categorized)

Description	2023/2024	2022/2023
	KShs	KShs
Amount recognised in the statement of financial performance	185,532,458	69,926,974
Less receivables from non-exchange transactions	(56,730,148)	
Amount recognised in the cashflow statement	128,802,310	69,926,974

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

7. Rendering of Services

Description	2023/2024	2022/2023
	KShs	KShs
Tuition fees	75,545,705	118,439,529
Activity fees	6,061,381	5,332,800
Examination fees	20,334,645	21,345,898
Library fees	6,120,117	6,838,600
Administrative income	6,553,261	7,956,200
RMI	8,004,528	10,006,800
Robotics, Tvet fair and Automation	8,622,315	9,709,000
Student ID	1,684,316	1,572,099
Student Union	2,598,350	2,609,950
Attachment and insurance	7,158,528	10,016,000
Local transport and travel	7,425,528	7,209,600
EW&C	4,699,875	4,033,290
Personnel Emolument	23,577,922	37,965,430
Admission	1,453,250	
Caution	1,003,522	
Total Rendering of Services	180,843,243	243,035,196

7(b)

Rendering of Services-Tuition Inflows	2023/2024	2022/2023
	KShs	KShs
Rendering of Services-Tuition Fee Recognised in the Statement of Financial Performance	180,843,243	209,160,629
Add:-		
Increase in prepaid fees/Tuition Fee to be Earned in Future But Received During the Year	37,740,363	6,967,587
Less:-		
Decrease in Revenue Receivable/ Student Debtors/Income Earned During the Year But Not Received	(78,440,826)	(81,286,447)
Non-Cash Item-decrease in provision for bad debts		
Amount Recognised in the Statement of Cashflows	140,142,780	134,841,769

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

8. Sale of Goods

	2023/2024	2022/2023
	KShs	KShs
Catering services	388,765	1,222,300
Production Unit	413,400	1,788,410
Farm Income	516,410	1,732,420
Total Sale of goods	1,318,575	4,743,130

9. Rental revenue from facilities and equipment

Description	2023/2024	2022/2023
	KShs	KShs
Bus hire	825,400	652,600
Boarding fees	2,862,364	5,564,762
Total rentals	3,687,764	6,217,362

10. Miscellaneous Income

Description	2023/2024	2022/2023
	KShs	KShs
Driving school	499,190	528,230
Total other income	499,190	528,230

KISIWA TECHNICAL TRAINING INSTITUTE

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

11. Use of Goods and Services

Description	2023/2024	2022/2023
	KShs	KShs
Tuition	135,374,971	77,736,419
Local Transport and Travel	8,711,635	7,531,310
Attachment, Insurance & Medical	7,683,739	5,715,304
Library	5,245,865	750
Activity	8,141,308	6,922,536
Administrative	9,648,559	5,431,301
Student Union	2,747,246	1,877,606
Boarding	2,651,610	1,530,000
Robotics & Tvet Fare	2,599,220	2,944,783
Examination	36,680,919	26,896,850
Production Unit	2,405,415	8,966,692
Electricity Water & Conservancy	3,511,765	2,023,555
Student ID	520,600	142,800.00
Catering Expense	5,669,352	0
Tender		10,000
Farm	599,415	0
Performance Contract	1,304,956	764,984
Mt. Elgon	6,388,954	0
Internet	1,006,648	959,232
Fire extinguishers		178,500
Driving school	218,515	88,300
Butula TVC	6,660,044	4,013,382
Total general expenses	247,770,736	153,734,304

11 (b) Use of Goods and Services

Use of Goods and Services		
Description	2023/2024	2022/2023
	KShs	KShs
General Expenses-Amount Recognised in the Statement of Financial Performance	247,770,736	175,706,291
Less		
Trade Payables	(37,110,096)	(29,076,858)
Amount Recognised in the Statement of Cashflows	210,660,640	146,629,433

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

12. Employee Costs

Description	2023/2024	2022/2023
	KShs	KShs
Salaries and wages	49,098,145	45,591,140
Total Employee costs	49,098,145	45,591,140

13. Board Expenses

Description	2023/2024	2022/2023
	KShs	KShs
Directors emoluments	4,028,150	2,411,100
Total director emoluments	4,028,150	2,411,100

14. Depreciation and Amortization expense

Description	2023/2024	2022/2023
	KShs	KShs
Property, plant and equipment	21,365,885	17,938,014
Intangible assets	-	443,000
Total depreciation and amortization	21,365,885	18,381,014

15. Repairs and Maintenance

Description	2023/2024	2022/2023
	KShs	KShs
RMI	16,546,834	16,126,630
Total Repairs and Maintenance	16,546,834	16,126,630

16. Cash and Cash Equivalents

Description	2023/2024	2022/2023
	KShs	KShs
Cash at hand	33,290	36,700
Savings account	6,282,066	7,882
Current account	38,883,166	27,721,449
		-
Total cash and cash equivalents	45,198,522	27,766,031

KISIWA TECHNICAL TRAINING INSTITUTE**Annual Report and Financial Statements for the year ended 30th June 2024****16 (b) Detailed Analysis of Cash and Cash equivalents**

		2023/2024	2022/2023
Financial Institution	Account Number	KShs	KShs
Cooperative Bank (Main Account)	1129290592000	5,747,675	1,086,072
KCB (Operation Account)	1114212865	3,241,488	641
KCB (2jiajiri Account)	1179849035	1,121,751	10,399,596
KCB (Development Account)	1114213916	27,058,480	15,503,512
Diamond Trust Bank (Savings Account)	5412510001	6,282,066	7,882
Diamond Trust Bank (Examination Account)	412510005	1,713,772	731,628
Sub-total		45,165,232	27,729,331
Others			
Cash at hand		33,290	36,700
Sub-total		33,290	36,700
TOTAL		45,198,522	27,766,031

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Receivables from Exchange transactions

17. Current Receivables from Exchange transactions

Description	2023/2024	2022/2023
	KShs	KShs
Current receivables		
Student debtors	192,552,136	277,683,455
Navakholo TVC	686,557	686,557
Butula TVC	1,151,826	1,247,522
Sirisia TVC	800,000	1,140,455
Staff debtors (Salary advance)		30,336
Farm debtors	1,653,720	
PAYE debtors	6,153,250	
Other debtors-Kibabii University	22,000	0
Prepayment		671,990.00
Total receivables	203,019,489	281,460,315
Net receivables	203,019,489	281,460,315

17 (b) Ageing Analysis of Receivables from Exchange transactions

	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	118,953,031	58.59	187,519,537	66.62
Between 1- 2 years	61,258,529	30.17	39,793,812	14.14
Between 2-3 years	5,607,957	2.76	16,422,723	5.83
Between 3-4 years	17,199,972	8.47	8,047,308	2.86
Between 4-5 years			15,930,743	5.66
Between 5-6 years			4,598,616	1.63
Over 6 years			9,147,576	3.25
Total (a+b)	203,019,489	100	281,460,315	100

18. Receivables from Non-Exchange Transactions

Description	2023/2024	2022/2023
	KShs	KShs
Current receivables		
Transfers from other govt. entities-Scholarship grant	43,068,148	
Transfers from other govt. entities-Capitation Grant	13,662,000	
Total current receivables	56,730,148	-

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

18 (b) Ageing Analysis of Receivables from Non- Exchange transactions

	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	56,730,148	100		
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total	56,730,148	100		

19. Inventories

Description	2023/2024	2022/2023
	KShs	KShs
Health Section	238,295	96,440
Central store-Foodstuff & stationery	1,954,625	1,874,822
Applied & Medical Store	105,924	191,825
Food & Beverage Store	227,997	156,325
Clothing	180,547	564,805
Beauty/Hairdressing	10,077	105,884
Electrical	260,800	471,592
Building	1,327,577	455,110
Farm	74,840	180,320
Mechanical	142,772	
Total Inventories	4,523,454	4,097,123

KIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

20. Property, Plant and Equipment

	Land	Motor vehicles	Furniture and fittings	Computers	Buildings	Library Books	Plant and equipment	Capital Work in progress	Total
Cost	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
At 1 July 2023	42,350,000	12,150,000	13,699,050	14,892,350	207,761,000	3,918,375	26,284,942	40,216,266	361,271,983
Additions	2,050,000	0	165,420	3,508,000	36,660,838	1,276,000	3,561,882	15,693,895	62,916,035
Disposals								0	0
Transfer & adjustments					40,216,266			-40,216,266	0
At 30 June 2024	44,400,000	12,150,000	13,864,470	18,400,350	284,638,104	5,194,375	29,846,824	15,693,895	424,188,018
Depreciation and impairment									
At 1 July 2023	0	6,075,000	3,068,331	8,451,079	8,310,440	1,567,350	5,906,031	0	33,378,231
Depreciation	0	3,037,500	1,733,059	6,132,837	5,692,762	1,038,875	3,730,853	0	21,365,885
Disposals									0
Impairment									0
Transfer/adjustment									0
At 31 June 2024	0	9,112,500	4,801,390	14,583,916	14,003,202	2,606,225	9,636,884	0	54,744,116
Net book values									0
At 30 June 2024	44,400,000	3,037,500	9,063,080	3,816,434	270,634,902	2,588,150	20,209,940	15,693,895	369,443,901
At 30 June 2023	42,350,000	6,075,000	10,630,719	6,441,271	199,450,560	2,351,025	20,378,911	40,216,266	327,893,752

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

20 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	44,400,000	-	44,400,000
Buildings	284,638,104	14,003,202	270,634,902
Plant And Machinery	29,846,824	9,636,884	20,209,940
Motor Vehicles including Motoreycles	12,150,000	9,112,500	3,037,500
Computers and Related Equipment	18,400,350	14,583,916	3,816,434
Office Equipment, Furniture, And Fittings	13,864,470	4,801,390	9,063,080
Library Books	5,194,375	2,606,225	2,588,150
Total	408,494,123	54,744,117	353,750,006

21. Intangible Assets Software

Description	2023/2024	2022/2023
	KShs	KShs
Cost	3,700,000.00	
At beginning of the year	-	3,700,000
Additions		
Revaluation		
Cost end of the year	3,700,000	3,700,000
	-	-
Amortization and impairment		
At beginning of the year	3,700,000	3,257,000
Amortization		443,000
Amortization at end of the year	3,700,000	3,700,000
	-	-
NBV	-	-

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

22. Biological Assets

Description	2023/2024	2022/2023
	KShs	KShs
livestock	2,388,902	2,388,900
Total Biological Assets	<u>2,388,902</u>	<u>2,388,900</u>

23. Trade and other Payables from Exchange Transactions

Description	2023/2024	2022/2023
	KShs	KShs
Trade payables	20,288,907	22,558,441
Development grants for mentee institutions	11,118,206	-
Retention money for Mt. Elgon TVC	5,702,983	-
Total trade and other payables	37,110,096	22,558,441

23 (a) Ageing analysis

Ageing analysis:	2023/2024	% of the Total	2022/2023	
Under one year	26,849,897	72	15,822,492	72
1-2 years	10,260,199	28	6,735,949	28
2-3 years	0	0	0	0
Over 3 years	0	0	0	0
Total	37,110,096	100	22,558,441	100

24. Refundable Deposits from Customers/Students

Description	2023/2024	2022/2023
	Kshs	Kshs
Caution money	2,815,522	-
Total Deposits	2,815,522	-

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

24. (a) Ageing analysis

Ageing analysis	2023/2024	% of the Total	Comparative FY	2022/2023
Under one year	2,815,522	100	-	
1-2 years				
2-3 years				
Over 3 years				
Total (to tie to totals deposits above)	2,815,522	100	-	

25. Payments Received in Advance

Description	2023/2024	2022/2023
	KShs	KShs
Student Fees	47,991,782	84,292,145
Unallocated Grant		1,440,000
	47,991,782	85,732,145

25 (a) Ageing analysis: from Payments Received in Advance

Ageing analysis:	2023/2024	% of the Total	2022/2023	% of the Total
Under one year	23,764,737	50	7,020,140	7
1-2 years	24,227,045	50	10,098,199	12
2-3 years	0	0	31,348,249	37.19
Over 3 years	0	0	37,265,557	44.21
Total	47,991,782	100	85,732,145	100

26. Cash generated from operations.

	Kshs	Kshs
Surplus for the year before tax	33,071,480	88,649,704
Adjusted for:		
Depreciation	21,365,885	17,938,014
Working Capital Adjustments		
Increase in Inventory	-426,331	-1,562,357
Decrease in Receivables from exchange transactions	78,440,826	149,998,478
Increase in Receivables from non- exchange transactions	-56,730,148	
Increase in Deferred Income		-272,022
Increase in Payables	17,367,177	-7,790,600
Decrease in Payments received in advance	-37,740,363	50,668,166
Net Cash Flow from Operating Activities	55,348,526	-2,367,573

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024
Notes to the Financial Statements (Continued)

27. Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Milligan Valuers Ltd in September 2021. These amounts were adopted in the financial statements in the annual Report and Financial Statements of FY 2021/2022.

28. Employee Benefit Obligations

The institute contributes to the statutory National Social Security Fund (NSSF) This is a defined contribution scheme registered under the National Social Security Act The institute's obligation under the scheme is limited to specific contributions legislated from time to time

29. Financial Risk Management

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

The institute's financial risk management objectives and policies are detailed below.

(i) Credit risk

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

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

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

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

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the institute's directors, who have built an appropriate liquidity risk management framework for the management of the

KISIWA TECHNICAL TRAINING INSTITUTE

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

institute's short, medium and long-term funding and liquidity management requirements. The institute manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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

(iii) Market risk

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

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

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

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

a) Foreign currency risk

The institute has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying amount of the institute's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

The institute manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) Interest rate risk

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

Management of interest rate risk

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

KISIWA TECHNICAL TRAINING INSTITUTE

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

Sensitivity analysis

The institute analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

iv) Capital Risk Management

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

Description	2023/2024	2022/2023
	Kshs	Kshs
Revaluation Reserve	297,322,957	294,320,525
Retained Earnings	135,018,587	134,534,747
Capital Reserve	153,089,819	60,819,358
Total Funds	585,431,362	489,674,630
Total debt	34,024,936	25,063,476
Less: Cash and Bank Balances	45,231,812	27,766,031
Net Debt/(Excess Cash and Cash Equivalents)	11,206,876	2,702,554
Gearing	75%	90%

KISIWA TECHNICAL TRAINING INSTITUTE

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

30. Related Party Balances

Nature of related party relationships

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of Governors;

31. Events after the Reporting Period

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

32. Ultimate and Holding Institute

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

33. Currency

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

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Appendices


Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Unsupported Property, Plant & Equipment	The institute has an asset management module which will be improved on after all assets have been tagged and valued in accordance to the National Treasury guidelines	Partially Resolved	December 2025
2.	Lack of ownership documents	The management is committed to ensuring that title deeds for all parcels of land are available by end of the year 2025	Partially Resolved	December 2025
3.	Long Outstanding Receivables from Exchange Transactions	The management is actively working to ensure that the outstanding balances are resolved, taking decisive action to write off any amounts that are considered doubtful.	Not Resolved	June 2026
4.	Unconfirmed Intangible Assets	The management has initiated the process of revaluing the system to reflect the correct position	Partially Resolved	December 2025

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5.	Non-compliance with the law on Ethnic composition	Implementing gradually in consistence with the institute master plan	Not Resolved	2033
6.	Delayed implementation of ERP	All the ABN Modules are operational.	Resolved	

Signature.....

Name: Mr. Emmanuel Wamalwa
 Accounting Officer

Date:27/5/25.....

KISIWA TECHNICAL TRAINING INSTITUTE

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

Appendix II: Projects Implemented by KISIWA TECHNICAL TRAINING INSTITUTE

Projects

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

Project title	Project Number1	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1 Tuition block	CWO/BGM/KTTI/TUITION BLOCK/VOL	Ministry of Education	28 WEEKS	N/A	N/A	Yes

Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1 Tuition Block	36,256,800	15,693,895	70%	35,000,000.00	36,256,800.00	<ul style="list-style-type: none"> • Ministry of Education • Internal Savings

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024
Appendix III- Inter-Institute Confirmation Letter

Name of transferring institute: MINISTRY OF EDUCATION

Name of beneficiary institute: KISIWA TECHNICAL TRAINING INSTITUTE

Confirmation of amounts received by KISIWA TECHNICAL TRAINING INSTITUTE					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
53363	10/09/2023	18,203,500	-	18,203,500	
56565	18/01/2024	17,241,000	-	17,241,000	
56817	22/02/2024	59,294,292	-	59,294,292	
57343	03/04/2025	2,741,311	-	2,741,311	
57219	13/04/2024	-	25,000,000	25,000,000	
56621	02/06/2024	19,704,000	-	19,704,000	
59916	19/06/2024	500,000	-	500,000	
64006	23/09/2024	21,607,982	-	21,607,983	
63938	23/09/2024	9,802,875	-	9,802,875	
64097	23/09/2024	134,378	-	134,378	
64096	23/09/2024	3,023,505	-	3,023,505	
64104	23/09/2024	309,069	-	309,069	
64072	24/09/2024	8,190,339	-	8,190,339	
64162	24/09/2024	13,662,000	-	13,662,000	
57217	13/04/2024	-	1,278,000	1,278,000	Sirisia TVC grants
50477	26/07/2023	-	7,000,000	7,000,000	Mt. Elgon TVC grants
57218	13/04/2024	-	2,840,206	2,840,206	Mt. Elgon TVC grants
TOTAL				210,532,458	

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

KISIWA TECHNICAL TRAINING INSTITUTE
Annual Report and Financial Statements for the year ended 30th June 2024

Head of Accounts Department - Disbursing Entity:

Name Sign Date

Head of Accounts Department - Beneficiary Entity:

Name *Namakwa Emmanuel* Sign  Date *27/5/25*