

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY

DATE: 26 JUL 2023

DRY  
WED

TABLED  
OF  
CLERK-AT  
THE-TABLE:

Hon Kimani Ichungu, mp  
The leader, majority party

Miriam Mado

**THE AUDITOR-GENERAL**

**ON**

**UGENYA TECHNICAL AND VOCATIONAL  
COLLEGE**

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



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**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**P.O BOX 74-40614**  
**SEGA-KENYA**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORTS AND FINANCIAL STATEMENT  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

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**Table Of Content**

I) Key Entity Information And Management .....	ii
Ii) The Board Of Governors .....	V
Iii) Management Team .....	ix
Iv) Chairman's Statement .....	xi
V) Report Of The Principal .....	xiii
Vi) Statement Of Performance Against Predetermined Objectives .....	xvi
Vii) Corporate Governance Statement .....	xvii
Viii) Management Discussion And Analysis .....	xviii
Ix) Environmental And Sustainability Reporting Statement .....	xix
X) Report Of The Board Of Governors .....	xx
Xi) Statement Of Board Of Governors Responsibilities .....	xxi
Xii) Report Of The Independent Auditor On The Ugenya Technical And Vocational College.....	xiii
Xiii) Statement Of Financial Performance For The Period Ended 30 <sup>th</sup> June 2022.....	1
Xiv) Statement For Financial Position As At 30 <sup>th</sup> June, 2022 .....	2
Xv) Statement Of Changes In Net Asset For The Year Ended 30 <sup>th</sup> June 2022 .....	3
Xvi) Statement Of Cash Flows For The Period Ended 30 <sup>th</sup> June 2022 .....	4
Xvii) Statement Of Comparison Of Budget And Actual Amounts For The Period Ended 30 <sup>th</sup> June 2022 .....	5
Xvii) Notes To The Financial Statements .....	6
Xix) Appendices .....	21



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**I) KEY UGENYA TECHNICAL & VOCATIONAL COLLEGE INFORMATION  
AND MANAGEMENT**

**(a) Background information**

Ugenya Technical and Vocational College is established under the TVET Act 2015. The college made its first intake of students on 1<sup>st</sup> September 2018. The college is domiciled in Kenya under the Ministry of Education. In executing its core mandate, the college offers the following courses:

- Electrical Engineering
- Building and Civil Engineering
- Plumbing Technology
- Business Management
- Supply Chain Management
- Human Resource Management
- Social Work and Community Development
- Refrigeration and Air Conditioning
- Mechanical Engineering
- General Agriculture
- Agricultural Engineering

**(b) Principal Activities**

The principal mandate of Ugenya Technical and Vocational College is to offer Technical and Vocational Training.

**Vision:** To be an excellent global provider of Competency Based Education and Training in Kenya.

**Mission:** To provide quality Technical, Vocational and Entrepreneurial Skills using State of the Art facilities based on Industry Needs and Industry Occupational Standards (IOS)

**Our Motto:** Technology Illuminating Minds.

**Mandate:** To offer Training in Courses up to Diploma level to personnel for both public and private sectors.

**(c) Key Management**

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

- Board of Governors.
- Accounting officer/ Principal
- Principal Management Committee(PMC)

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**(d) Fiduciary Management**

The key management personnel who held office during the fourth quarter ended 30<sup>th</sup> June, 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Principal	Mrs. Elizabeth A.O. Okullu
2.	Deputy Principal	Alfred Opiyo
3.	Registrar	Antone Oloo Churchill
4.	Dean of Students	Hezron S. Malimu
5.	Head of Finance	Simon Njoga
6.	Head of Procurement	Bethsheba Oyuga

**(e) Fiduciary Oversight Arrangements**

**Audit and risk committee activities-** This committee is charged with the responsibility of ensuring the proper functioning and statutory compliance in the execution of the functions of the college. This duty is performed by the internal auditor that the college has laid down the strategies to recruit.

**Finance and operations committee activities –** This committee is responsible for the supervision of College Budget preparation, preparation and review of finance policy, compilation of financial reports and financial advice to the management of the college.

**Academic committee activities-** This committee is chaired by the deputy principal. The function of this committee is to ensure compliance and achievement of the core mandate of the college, that is, training. This committee also coordinates the preparation of the academic policies and internal quality assurance policy.

**Procurement committees –** In this department we have the following committees;

**Tender opening committee –** the function of this committee is to officially receive the bids and verify on a specific date quoted in the tender floated.

**Tender Evaluation committee –** This committee is responsible for the technical evaluation of the bids once received by the tender opening committee.

**Inspection acceptance and rejection committee** is responsible for the inspection and receipt of the goods and services on behalf of the college.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**(f) College Head Quarters**

P.O. Box 74 -40614  
Along Kisumu- Busia Highway  
Sega, Kenya

**g) College Contacts**

Telephone : 0115107907/0115159121  
E-mail: [ugenia.techcollege@gmail.com](mailto:ugenia.techcollege@gmail.com)  
Website: utvc.ac.ke

**h) College's Bankers**

Kenya Commercial Bank  
P.O. Box 52  
Siaya, Kenya

**i) Independent Auditors**



Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya

**j) Principal Legal Adviser**

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

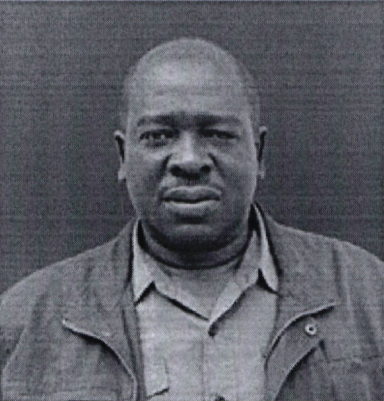


**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

**II) THE BOARD OF GOVERNORS**

BOG's passport-size photo and Name.	Description of each BOG's date of birth, key qualifications and work experience.
 <p>1. Dr. Satwinder Singh Rupra, PhD BOG Chairperson</p>	<p>D.O.B 4<sup>th</sup> August, 1985</p> <p><b>Qualifications:</b> PhD: Cyber Security Msc: Information Technology</p> <p><b>Work Experience:</b> Director and Chief Technical Officer, Sumo Computers – 2008 to Date Director and Chief Executive Officer, Selectric Limited – 2016 to Date Part-time Lecturer -2015 to May 2017 Broadband Internet technologies-3 years IP PBX Setup and Management-2 years Joomla Website Design and Management-1 year IP and Analogue Surveillance Systems (CCTV)- 1 year Mikrotik Routers Setup and Configuration-2 years Fiber Optics and Copper Installations-5 years</p>
 <p>2. Mrs.Elizabeth Okullu Principal/BOG Secretary</p>	<p><b>DOB : 17<sup>th</sup> October , 1968</b></p> <p><b>Qualifications:</b> Masters – Leadership Administration &amp; Management B.E.D (Arts) Diploma in Education - 1989- 1990</p> <p><b>Work Experience:</b> Principal Ugenya Technical and Vocational College- Dec 2020 to date Deputy Principal Bondo Technical &amp; Vocational College – 2018-2020 Registrar Bondo Technical and Vocational College – 2016-2018 Dean of Students Kisumu National– 2015-2016 Assistant Dean of students – Kisumu National Polytechnic – 2012-2015 Head of Guidance &amp; Counselling – 2010 - 2012 Assistant H.O.D Guidance &amp; Counselling 2008-2010 Polytechnic Secretary of Ethics &amp; Anti-corruption – 2009 Research &amp; Innovation committee member – 2009-2012</p>



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

 <p>3. Mr. Oscar Mujumba BOG Chair Administration, Finance and Infrastructure Committee</p>	<p><b>DOB. 05<sup>th</sup> July, 1975</b></p> <p><b><u>Qualifications:</u></b> Master of Business Administration: Operations Management. B.E.D (Arts) CPA part 1 (section 1 and 2)</p> <p><b><u>Work Experience:</u></b> Board Member Siaya Institute of Technology (2014-2020) Airtel Kenya Ltd - Kisumu Branch. Acting Branch Manager and Customer Service Representative-Cash. From December 2007-August 2011 Celtel Kenya Ltd Eldoret Branch- Accountant. March 2004-November 2007</p>
 <p>4. Ms. Esther Natembea Simiyu BOG Chair Audit and Risk Committee</p>	<p><b>DOB</b></p> <p><b><u>Qualifications:</u></b> Bachelor of Business Administration (Accounting and Finance) Certified Public Accountant, Sec. 6.</p> <p><b><u>Work Experience:</u></b> Part time Audit Assistant Olive Joy Care Estate and Property Managers Ltd., 2019-to Date Volunteer - Accountants Payable, Colnet Limited 2018 Research assistant population council, Endline, 2017 Research assistant population council, Step Up, 2016 Accountant, Harler &amp; Supreme Logistics Ltd, 2015 Accounts Intern, Co-Operative College of Kenya, from May- August 2012 Assistant Internal Auditor, Sentrim Kenya Ltd (680 Hotel), from January - December 2011 Accounts Assistant, Europa Tools Company Ltd, August- December 2010</p>
 <p>5. Phylis Kaptuya Boronjo BOG Member</p>	<p><b>DOB: 1989</b></p> <p><b><u>Qualifications:</u></b> Bachelor of Technology in Civil and Structural Engineering - 2013</p> <p><b><u>Work Experience:</u></b> Water Engineer (Living Water Service Centre, Kisumu field office) 2013 to Date</p>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**



6. Ms Nivian Anyango Ogogo  
BOG Member

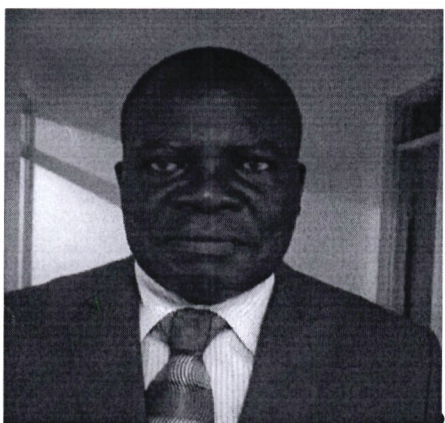
DOB 29<sup>th</sup> September, 1985

**Qualifications:**

Master's Degree in Project Planning and Management  
Bachelor's Degree in Computer Science  
Uganda Advanced Certificate of Education (U.A.C.E)

**Work Experience:**

Information Technology Officer –HJFMRI Kisumu from  
3<sup>rd</sup> April 2017 To Date:  
Information Technology Specialist CWS-RSCAFRICA from  
April 2016 To February 2017  
Systems Administrator Kisumu Water & Sewerage Company  
(KIWASCO) from Nov 2015 To April 2016  
Systems Administrator KEMRI/CDC from March 2014 to May  
2015  
Assistant Systems Administrator KEMRI/CDC from March 2011  
To March 2014  
ICT Help Desk KEMRI/CDC from 30<sup>th</sup> Sept 2009-30 DEC. 2010  
Attachment KEMRI/CDC from June 2008 – August 2008  
E-mol Enterprises from Dec 2005-April 2006



BOG Member

DOB 6<sup>th</sup> November, 1959



**Qualifications:**

Diploma in Water Engineering.  
Practical training attachment at Kwa Mutonga Dam  
Construction site for 4 Months.  
6 months Pre-Selection course.

**Work Experience:**




Asset Development and Management manager under  
Technical Department With Lake Victoria South  
Water Services Board from 2005 to Date  
Head of operation and maintenance of water Supplies and  
sewerage in Siaya District. 2002-2005  
Head of the Bura Domestic Water Supply & Sewerage section.  
Deputy Manager Bura Irrigation and Settlement project 1996-  
1997  
Superintendent Water Engineering Officer 1997  
Supervisor construction works Kenya–Finland Rural Water  
Development Project as construction Supervisor from **1986-  
1995**  
Engineering Assistant Kakamega Provincial Water Office from  
**1982–1986**

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

 <p>8. <b>Mr. Njoroge Bonface Mucina</b> BOG Member</p>	<p>DOB 1958</p> <p><b><u>Qualifications:</u></b> Bachelor of Education Science (Kiswahili and English)</p> <p><b><u>Work Experience:</u></b> Maize and Poultry Farmer in Tranzoia from 2000 to Date Chairman Community Driven Development Committee(CDDC) from 2018-2019 Head of Department Applied Science, Chair of Institute of AQAS Committee and Auditor Quality System in Kitale National Polytechnic from 2001-2018 Head of Science Department Nasol Girls Secondary School and Chairman West Pokot Science and Technology Congress from 1991-2001 Classroom Teacher and Head of Science Department Saboti Secondary School from 1990-1991 Classroom Teacher and Patron Wild life Club Kibuk Girls High School from 1989-1990 Boarding Master, Games Master, Acting Deputy Principal and Patron Wild life Club Kimaeti Secondary School from 1985-1988</p>
 <p><b>Mr. Innocent Muganda</b> BOG Member</p>	<p>DOB 1981</p> <p><b><u>Qualifications:</u></b> Degree in Law Diploma in Law</p> <p><b><u>Work Experience:</u></b> Managing Patner Sagana , Biriq &amp; Company Advocates from 2012- to date Associate Ahmednasir, Abdikadir &amp; Co. Advocates- from 2010 – 2-11, Assistant Manager Legal Affairs with Diamond Trust Bank from 2006- 2010 Legal Assistant Mohammed Madhani &amp; Co. Advocates from 2004-2006</p>


**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

**III) MANAGEMENT TEAM**

<b>PMC passport-size photo, name, and key Professional/Academic qualifications</b>	<b>Responsibility</b>
 <p>Mrs. Elizabeth Okullu Principal/BOG Secretary B.E.D (Arts)</p>	<p>Chief Executive Officer/Principal General management of the college</p>
 <p>Mr. Alfred Opiyo D/Principal Diploma in Farm Resources Management</p>	<p>Oversee and supervise training Coordinates the operations of the Technical staffs.</p>
 <p>Mr. Antone Oloo Churchill Rigistrar BA. International Relations and Diplomacy</p>	<p>In-charge of students admission and examination administration. Advise the management on matters of students' enrolment.</p>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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 <p>Mr. Hezron S. Malimu Dean of Students Diploma in Mechanical Engineering</p>	<p>Oversee Students welfare. Coordination of students HELB Loan applications.</p>
 <p>Simon Njoga Accountant CPA SEC.III</p>	<p>In charge of preparation of financial statements and Book Keeping. Financial Adviser to the Chief Executive Officer/Principal</p>
 <p>Bethsheba Oyuga Supply Chain Officer Diploma in Supply Chain</p>	<p>In charge of procurement and coordinates Annual Procurement Planning with the Heads of Departments and Heads of Sections.</p>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**IV) CHAIRMAN'S STATEMENT**

The first Board of Governors were appointed by the Cabinet Secretary Ministry of Education in line with the TVET act 2015 on 05/10/2018 and served for a period of three years before their term ended on 04/10/2021. Current Board members were later appointed on 09/02/2022 by the Cabinet Secretary Ministry of Education. The inauguration of the current Board was conducted on 08/04/2022 before the area Governor nominated his representative, Mr. Innocent Muganda. The induction of the Board members was carried out in Tom Mboya Labour College from 03/08/2022 to 05/08/2022 that was also joined by the Governor nominee, Mr. Innocent Muganda.

The Board of Governors comprises of ten members including the Principal and the County Director TVET, who is the representative of the Permanent Secretary in the Board. The main function of the board is to supervise the management activities of the college. The board oversees the management of the college to ensure proper financial stewardship and ensuring that the institution does its mandate as required by the government of Kenya through the Cabinet Secretary Ministry of Education by reporting continuously on the operations of the college.

During the financial year 2021/2022F/Y, the college had 19 trainers and administrators employed by the Public Service Commission (PSC), 23 Trainers and Technical staff employed by the Board.

The student population as at 30<sup>th</sup> June, 2022 stood at 644. As a board, we have laid down various strategies to ensure that we enrol a big number of students in the next financial year.

On infrastructure, the college was handed over the Appropriate Building Materials Technology building as a Centre established by the housing department to train the community on the current technology of making building blocks. A part from this, we constructed the College Bus Parking shade, renovation of packing shade through constituency development fund, temporary equipment store, water tank, disc plough, students lecture chairs and drawing tables.

The college managed to offer extension services to the community using the tractors that were provided by the ministry of Education for ploughing and planting services and therefore to a great extent we achieved the corporate social responsibility of the college.

The major challenge that the institution faced was lack of funds. This was due to reduction in operational grant, poor fees payment by parents and sponsors, late submission of capitation fees

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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and HELB. As a result, the college could not meet its budget obligations forcing the board to only finance the mandatory core training activities.

The Board has therefore appealed to the parents, sponsors and other government agencies to release funds in good time to help the college provide, better and timely service.

Sign  \_\_\_\_\_

Date 30/06/2022

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**V) REPORT OF THE PRINCIPAL**

Ugenya Technical and Vocational College is one of the Technical and Vocational Colleges in Kenya. It is situated in Ugenya Sub-county, Siaya County. The principal mandate of our College is to offer Technical and Vocational Training in different cadres of Courses from Artisan, Certificate to Diploma levels to personnel for both public and private sectors.

Our vision is to be an excellent global provider of Competency Based Education and Training with a mission to provide quality Technical, Vocational and Entrepreneurial Skills using State of the Art facilities based on Industry Needs and Industry Occupational Standards (IOS).

The management of the college is under the Board of Governors. During the 2021/2022 F/Y, the college was managed by two cohorts of Board of Governors. The first cohort assumed its duties on 05/10/2018 and retired on 04/10/2021. This first Board had the following members as at 04/10/2021 after one member, Francis Onyango Ochieng passed-on in June 2021;

1. Dr. Satwinder Singh Rupra, PhD - Chairperson
2. Mrs. Elizabeth O.A. Okullu - Secretary
3. Fanuel Onyango -County Director TVET
4. William O. Mola - Member
5. Nancy Ruby Samuel - Member
6. Phyllis Kaptuya Boronjo - Member
7. Walumbe Gift Eunice - Member
8. Anthony C. Odhiambo - Member
9. Jacktone Odinga - Member

The second cohort was later appointed by the Cabinet Secretary, Ministry of Education on 09/02/2022 after four months of operation without the Board. The second Board was inaugurated on 08/04/2022 in the College staff room and later inducted in Tom Mboya Labour College from 03/08/2022 to 05/08/2022. The following are the members of this Board;

1. Dr. Satwinder Singh Rupra, PhD - Chairperson
2. Mrs. Elizabeth O.A. Okullu - Secretary
3. Oscar Mujumba – Chair Administration, Finance and Infrastructure Committee
4. Boniface Njoroge - Member
5. Philis K. Boronjo - Member
6. Esther Natembea Simiyu - Member
7. Joseph Otieno Omollo Member
8. Nivian Anyango Ogogo - Member
9. Innocent Muganda - Member
10. Joseph Sunguti – County Director TVET



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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In executing their duties, the Board is guided by the statutory frame work and the Board charter. In performing their over sight and resource mobilisation role, the Board has formulated all the necessary policies to aid the effective and efficient management of the college resources. These policies include;

- a) Finance Management Policy.
- b) Procurement, Asset Management and Disposal Policy.
- c) Risk and Audit Policy.
- d) Academic Policy.
- e) Internal Quality Management Policy.
- f) Students Constitution.
- g) Human Resource Policy.
- h) ICT Policy
- i) Industrial Liaison Policy
- j) Production Unit Policy.
- k) H.I.V. Policy
- l) Disability, Gender Mainstreaming Policy.
- m) Research Policy.

The above policies were formulated in consideration of the government guide lines.

The staff composition as at 30/06/2022 was as follows; Public Service Commission Trainers and administrators - 19, Board of Governor Trainers – 23 and Board of Governor Technical Staff – 9. The student population by end of the financial year 2021/2022F/Y, stood at 644 with major admission in Technical courses. In terms of academic performance, our college has maintained an upward trajectory. This is shown by the mean score of 64.58% in the July 2021 and 68.00% November 2021 KNEC Examination. The college enrolled a total of 135 candidates for the July 2022 National examination series and 242 for the November 2022 series. The KNEC July 2022 results are yet to be released.

In the 2021/2022F/Y, the following projects and donations were realised; Receipt of College Bus and water tank as donation from the National Government Ugenya Constituency Development Fund Office, construction of Bus shade and the temporary Equipment Store, renovation of the parking shade by the National Government Ugenya Constituency Development Fund Office,

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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acquisition of internet services for effective service provision support, recruitment of trainers to replace the trainers who left service, receipt of donation of photo printer for the students organizations, the launch of the College Bus, Appropriate Building Materials Technology Building and the Tuition Block, the acquisition of Disc Plough, fabrication and acquisition of assorted students lecture chairs and drawing tables, purchase and installation of additional water tank and acquisition of additional computers.

On environmental, we have managed to plant three hundred additional trees in line with National Environment Management authority requirements. This is purposely to help controlling the soil erosion since the college is situated in a steep slope. Being a centre of excellence in Agriculture and Agricultural Engineering, the college has laid down strategies to ensure that the community around the college also benefit from the agricultural activities and initiatives offered by our college.

To achieve corporate social responsibility, the college managed to offer extension services to the community using the tractors that were donated by the ministry for training. This has enabled the community around the college to comparatively improve on their farm produce.

The major challenge that the institution faced was inadequate of funds to meet the set budgetary line. This was due to reduction in operational grant, poor fees payment by parents and sponsors, late receipt of capitation fees and limited loan provision by HELB. As a result, the college could not meet its budget obligations forcing the board to only finance the mandatory core training activities. By the time this report was being compiled, we had not received the 4<sup>th</sup> quarter capitation of kshs.5, 992,500.00.

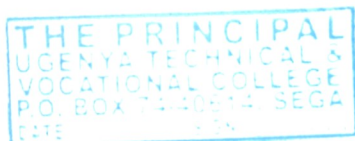
To address these challenges, the college has come up with various marketing strategies to ensure that college admits as many students as possible during the 2022/2023 financial year and also to improve on its areas of production units.

Sign \_\_\_\_\_



Date \_\_\_\_\_

30/06/2022



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

**VI) STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES**

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

- a) Corporate Image Pillar
- b) Financial Sustainability Pillar

Ugenya Technical and Vocational College develops its annual work plans based on the above two pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Board achieved its performance targets set for the FY 2021/2022 period for its two strategic pillars, as indicated in the diagram below:

Corporate Image	To improve Corporate Governance and Image	<ul style="list-style-type: none"> <li>- No of Sensitized staff</li> <li>- Appointment of various officers</li> <li>- Design competition</li> <li>- Availability of New Website</li> </ul>	<ul style="list-style-type: none"> <li>- Sensitization of staff on policies and legal provision</li> <li>- Implement Proposed Organizational structure</li> <li>- Tree planting</li> <li>- Providing bins</li> </ul>	<ul style="list-style-type: none"> <li>- Sensitized Staff</li> <li>- Institutionalizing staff establishment and Office</li> <li>- Trees planted</li> <li>- Bins provided</li> </ul>
Financial Sustainability	To Strengthen Mobilization and Management of Resources	<ul style="list-style-type: none"> <li>- Records of budget estimates and trial balance</li> <li>- Records of PU funds collected</li> <li>- Records of fee collected</li> </ul>	<ul style="list-style-type: none"> <li>- Compliance with set budgetary Estimates</li> <li>- Strengthen production unit collection</li> <li>- Strengthen fee payment</li> </ul>	<ul style="list-style-type: none"> <li>- 100% compliance</li> <li>- Increase in collections from PU</li> <li>- Amount of fee collected</li> </ul>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**VII) CORPORATE GOVERNANCE STATEMENT**

The College Board of Governors is constituted of ten members including the Principal who is the Secretary and the County Director Technical and Vocational Education Training. The Board was formed on 9<sup>th</sup> February 2022 following the expiry of the term of the first Board. The inauguration was conducted on 8<sup>th</sup> April 2022 followed by Board induction on 3<sup>rd</sup> August 2022. The inauguration was attended by the following Board members;

**Present**

1. Mr Joseph Sunguti Chairperson	CDTVET
2. Mrs Elizabeth Okullu	Secretary (Principal)
3. Dr. Satwinder Singh Ruprah	Chairman
4. Ms. Esther Natembea Simiyu	Member
5. Mr Joseph Otieno Omollo	Member
6. Mr Boniface Njoroge	Member
7. Ms Nivian Anyango Ogogo	Member
8. Mr Oscar Mujumba	Member

**Absent with Apology**

9. Eng. Phylis Kaptuya Boronjo	Member .
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This was the first meeting held. The members meet a quorum to form committees and three committees were formed as follows, Risk and Audit, Administration Finance and Infrastructure (AFI) and Administration, Research, Innovation and Students Affairs (ARISA) committee.

The nominee and representative of the area Governor, Innocent Muganda, was not yet nominated by the time the other members of the Board were being inaugurated even though he later managed to join the induction exercise conducted in Tom Mboya Labour College in Kisumu.

On 27<sup>th</sup> May 2022, the BOG Administration Finance and Infrastructure (AFI) committee met to discuss the Budget for the financial year 2022/2023 followed by Administration, Research, Innovation and Students Affairs (ARISA) Committee held on 2<sup>nd</sup> June 2022 to discuss exam analysis for the July 2021 that was later presented to the full Board meeting on 3<sup>rd</sup> June 2022 for approval.

The Board charter has been developed and the different committees of the Board formed to help fast tract the functions of the Board of resource mobilization.

The Board members were appointed by the Cabinet Secretary, Ministry of Education on 09/02/2022 and their removal from office shall be through the appointing authority.

It is the policy of our Board that the conflict of interest shall always be declared before any meeting of the Board is commenced. The Board allowances are pegged at kshs.12,000.00 as sitting allowance and transport allowance of kshs.3,000.00 for the Board chair and kshs.10,000.00 as sitting allowance for Board members plus kshs.3,000.00 transport allowance.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**VIII) MANAGEMENT DISCUSSION AND ANALYSIS**

This committee is composed of the Principal, Deputy Principal, Registrar, Dean of Students, Finance Officer and the Supply Chain Officer. The committee is charged with the responsibility of ensuring that the operations of the college are effectively implemented in line with the statutory requirements and guide lines.

During the Financial Year 2021/2022, the college managed to implement some projects as indicated in this report to include;

- a) Receipt of College Bus as donation from the National Government Ugenya Constituency Development Fund Office.
- b) Construction of bus shade.
- c) Construction of the temporary Equipment stores.
- d) Renovation of the parking shade in conjunction with the National Government Ugenya Constituency Development Fund Office.
- e) Acquisition of internet services for effective service provision support.
- f) Recruitment of Trainers to replace the trainers who left service.
- g) Receipt of donation of photo printer for the students organizations.
- h) The launch of the College Bus, Appropriate Building Materials Technology Building and the Tuition Block.
- i) The acquisition of disc plough
- j) Fabrication and acquisition of assorted students lecture chairs and drawing tables.
- k) Purchase and installation of two water tanks.
- l) Acquisition of additional computers.

The above stated materials were acquired purposely to aid the college in enhancing its mandate and core values.

It is also important to report that, irrespective of the tremendous challenges, faced by our college, we have continuously improved our average mean score in the Kenya National Examinations that now standard at 68.00%.

By the close of the 2021/2022F/Y, our college had not received a total of kshs.5,992,500.00 in respect of quarter four capitation grant disbursement. This seriously affected the college Budget commitments as the college could not fulfil all the Budget contents occasioning the review of the Budget to limit the expenditure areas.

It is therefore the opinion of this committee that nothing has come to our attention to warrant Ugenya Technical and Vocational not to be a going concern in the unforeseen future.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**IX) CORPORATE SOCIAL RESPONSIBILITY**  
**STATEMENT/SUSTAINABILITYREPORTING**

It's worth noting that during the financial year 2021/2022, the college carried out a number of outreach programmes to the community around the college as follows:

**Ploughing Services** – the college offered ploughing services to the surrounding community enabling them to increase their farming scale at low cost leading to availability of food stuffs within the area.

**Water** – Due to water shortage in the area, the college allowed the surrounding households to draw water from its well as at when they required.

**Waste Management** - The College collects all the waste in a compost pit where the waste is managed to farm yard manure which is used in the farm for Agricultural purposes. Our college also trains the community on the modern agricultural practices to help them realize good harvest which in turn improves the food security.

**Employee Welfare** –The college also facilitated various staffs to attend various trainings which helped in improving their skills and hence efficiency in the service delivery.

**Compliance with the Statutory Requirements**– the college applied and conducted transparent , accountable and very professional interviews for the staff engaged during the financial year 2021/2022 where all the applicants were given equal opportunities to defend themselves and compete fairly for the advertised vacancies.

**Supplier Relationship** - This is well maintained by keeping good communication channel between the institution and the suppliers. All the contracts are honoured accordingly by both the institution and the suppliers based on the approved contracts and the specifications given to the suppliers. Consequently, the college pays its suppliers promptly after the delivery of the goods/ services. It's also important to note that the evaluation of the tender documents is done with transparency, integrity, professionalism and accountability and hence giving room for effective completion resulting in awarding the lowest evaluated bidder and hence the achievement of quality goods and supplies at fair prices.

**Environmental Conservation** – The College planted a total of 300 trees of different species involving the students and the community.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**X) REPORT OF THE BOARD OF GOVERNORS**

The Board members submitted their report together with the audited financial statements for the year ended 30<sup>th</sup> June 2022 which show the state of the college's affairs.

**Principal activities**

The principal activity of the college is Training and Research.

**Board of Governors**

The first Board was appointed by the Cabinet Secretary on 05<sup>th</sup> October, 2018 and served up-to 04<sup>th</sup> October 2021 when their term expired after three years. The following is the list of the Board Members who served during the first quarter of 2021/2022 F/Y;

1. Dr. Satwinder Singh Rupra, PhD - Chairperson
2. Mrs. Elizabeth O.A. Okullu - Secretary
3. Fanuel Onyango -County Director TVET
4. William O. Mola - Member
5. Nancy Ruby Samuel - Member
6. Phyllis Kaptuya Boronjo - Member
7. Walumbe Gift Eunice - Member
8. Anthony C. Odhiambo - Member
9. Jacktone Odinga - Member

The current Board was appointed on 29<sup>th</sup> February, 2022. This Board has since been inaugurated and inducted. It consists of the following members;

1. Dr. Satwinder Singh Rupra, PhD - Chairperson
2. Mrs. Elizabeth O.A. Okullu - Secretary
3. Oscar Mujumba – Chair Administration, Finance and Infrastructure Committee
4. Boniface Njoroge - Member
5. Philis K. Boronjo - Member
6. Esther Natembea Simiyu - Member
7. Joseph Otieno Omollo Member
8. Nivian Anyango Ogogo - Member
9. Innocent Muganda - Member
10. Joseph Sunguti – County Director TVET

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES**

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

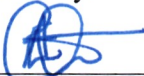
The Board members are responsible for the preparation and presentation of the college's financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial period ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the college; (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 college'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 section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013. The Board members are of the opinion that the college's financial statements give a true and fair view of the state of college's transactions during the financial year ended June 30, 2022, and of the college's financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the college, which have been relied upon in the preparation of the college's financial statements as well as the adequacy of the systems of internal financial control.

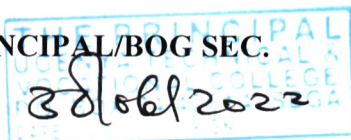
Nothing has come to the attention of the Board members to indicate that the college will not remain a going concern for at least the next twelve months from the date of this statement.


**Approval of the financial statements**

The College's financial statements were approved by the Board on 28/09/2022 and signed on its behalf by:


  
\_\_\_\_\_

PRINCIPAL/BOG SEC.



  
\_\_\_\_\_

CHAIRMAN

  
\_\_\_\_\_

BOG MEMBER



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**AUDITORS**

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

By Order of the Board

**Corporate Secretary  
Nairobi**

**Date: 28/09/2022**

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON UGENYA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Ugenya Technical and Vocational College set out on pages 1 to 21, which comprise of the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting

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

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

### **Basis for Qualified Opinion**

#### **Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.53,294,746. The College received several assets including tractors, computers, laptops, projectors and workshop machines from the Ministry of Education whose value has not been determined and disclosed. In addition, as reported in the previous year, the ownership documents for the tractors were not provided for audit verification and it was noted that the tractors were registered as private vehicles and had no Government of Kenya (GK) registration numbers.

In the circumstances, fair valuation and ownership of property, plant and equipment could not be confirmed.

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

#### **Key Audit Matters**

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

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

#### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for 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. Employee Costs**

The statement of financial performance for the year ended 30 June, 2022 reflects employees' costs of Kshs.7,330,576. However, the following anomalies were observed;

#### **1.1 Lack of Diversity of the People of Kenya in Employment**

Review of the College's staff list revealed that out of the total number of fifty-one (51) employees, forty-three (43) were from the dominant ethnic community translating to approximately 84% of the total staff while employees from the minority ethnic communities were eight (8) or 16%. This is contrary to section 7(1) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

#### **1.2 Engagement of Casual Employees**

The College had engaged four (4) casual employees for a period of over two years contrary to the provisions of Section 37 of the Employment Act, 2007 which requires that if a casual employee is engaged continuously for more than one month or if his or her tasks cannot be completed within three months, the employment of the casual employee will be converted into full-time employment.

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

### **2. Error in Presentation of Financial Statements and Notes**

Review of the financial statements revealed that notes to the financial statements numbers indicated in the statement of financial performance, statement of financial position and statement of cash flows do not correspond to the related numbering of notes as presented in the financial statements.

In the circumstances, the financial statements do not comply with the reporting template prescribed by the Public Sector Accounting Standards Board (PSASB).

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for 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 overall governance were not effective.

## **Basis for Conclusion**

### **Lack of Internal Audit Function**

The College did not have an internal auditor during the financial year implying that the College did not benefit from the assurance and advisory services from the internal audit function contrary to Section 155 of Public Finance Management Act, 2012, which provides for establishment of the internal audit function with roles detailed under Regulation 160 of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, Management was in breach of law.

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 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 control, risk management and overall governance.

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

10 July, 2023


**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022**

Details	Note	30 <sup>th</sup> June 2022 Kshs.	30 <sup>th</sup> June 2021 Kshs.
<b>Revenue from non-exchange transactions</b>			
Operational Grant	1	0	500,000.00
Capitation Grant	1	16,882,500.00	21,355,000.00
<b>Revenue from exchange transactions</b>			
Rendering of services – Fees from Students	2	18,268,980.00	6,065,840.00
Other income - Production unit	3	43,800.00	629,900.00
<b>Total revenue</b>		<b>35,195,280.00</b>	<b>28,550,740.00</b>
<b>Expenses</b>			
Use of Goods and Services	4	20,408,734.00	12,124,908.00
Employee costs	5	7,330,576.00	4,419,266.00
B.O.G Members Costs	6	742,290.00	1,193,000.00
R.M. I	7	1,649,387.00	665,077.00
Contracted services	8	572,000.00	475,000.00
Production unit	9	78,250.00	424,700.00
Depreciation on PPE	14	3,560,432.00	3,167,732.00
<b>Total expenses</b>		<b>34,341,669.00</b>	<b>22,469,683.00</b>
<b>Surplus for the period</b>		<b>853,611.00</b>	<b>6,081,057.00</b>


The notes set out on pages 6 to 19 form an integral part of the Annual Financial Statements.


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

  
.....  
Chairman of the Board  
Date 30/06/2022

  
.....  
Finance Officer  
Date



  
.....  
Principal  
Date 30/06/2022






**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30<sup>TH</sup> JUNE, 2022**


Details	Note	Cumulative To Date 30 <sup>th</sup> June 2022	Cumulative Unaudited 30 <sup>th</sup> June 2021
Assets		Kshs.	Kshs.
<b>Current assets</b>			
Cash and cash equivalents	10	15,013,863.00	6,981,453.00
Fees Arrears - Receivables	12	7,660,723.00	15,510,618.00
Inventories	13	271,782.00	3,408,065.00
<b>Total Current Assets</b>		<b>22,946,368.00</b>	<b>25,900,136.00</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	14	53,294,746.00	54,382,994.00
<b>Total Assets</b>		<b>76,241,114.00</b>	<b>80,283,130.00</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	0	2,950,137.00
Refundable deposits (prepaid fees)	16	7,534,979.00	9,480,469.00
<b>Total Current Liabilities</b>		<b>7,534,979.00</b>	<b>12,430,606.00</b>
<b>Total Net Assets</b>		<b>68,706,135.00</b>	<b>67,852,524.00</b>
Capital Reserve Fund		55,159,669.00	55,159,669.00
Revenue Reserve		13,546,466.00	12,692,855.00
<b>Total Net Liabilities</b>		<b>68,706,135.00</b>	<b>67,852,524.00</b>

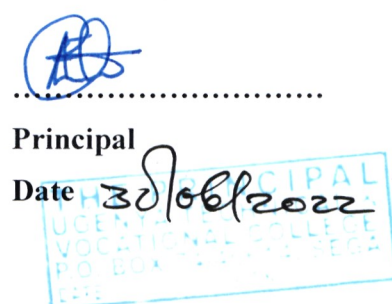
The Financial Statements set out on pages 1 to 5 were signed by:

  
 .....  
 Chairman of the Board  
 Date 30/06/2022

  
 .....  
 Finance Officer  
 Date



  
 .....  
 Principal  
 Date 30/06/2022



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022**


Details	Capital Reserve	Revenue Reserve	Total
	Kshs	Kshs	Kshs
<b>At July 1, 2020</b>	55,159,669.00	6,611,798.00	61,771,467.00
Surplus for the year	0	6,081,057.00	6,081,057.00
<b>At June 30, 2021</b>	<b>55,159,669.00</b>	<b>12,692,855.00</b>	<b>67,852,524.00</b>
Surplus for the year	0	853,611.00	853,611.00
<b>TOTAL AT JUNE 2022</b>	<b>55,159,669.00</b>	<b>13,546,466.00</b>	<b>68,706,135.00</b>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

	Note	2021/2022 Kshs	2020/2021 Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from Government- Capitation grants	1	16,882,500.00	21,355,000.00
Rendering of services- Fees from students	17	26,418,178.00	8,399,591.00
Other income	3	43,800.00	629,900.00
<b>Total Receipts</b>		<b>43,344,478.00</b>	<b>30,384,491.00</b>
<b>Payments</b>			
Use of goods and services	18	21,759,394.00	11,134,429.00
Compensation of employees	19	7,873,360.00	3,876,482.00
Repair Maintenance and Improvement	20	1,770,590.00	520,974.00
Board Costs	6	742,290.00	1,193,000.00
Contracted Services	21	616,000.00	461,000.00
Production Unit	9	78,250.00	248,750.00
<b>Total Payments</b>		<b>32,839,884.00</b>	<b>17,434,635.00</b>
<b>Net cash flows from operating activities</b>		<b>10,504,594.00</b>	<b>12,949,856.00</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipments Assets	14	2,472,184.00	3,219,348.00
Decrease in current receivables		0	1,525,442.00
Increase in investments		0	4,744,790.00
<b>Net cash flows used in investing activities</b>		<b>2,472,184.00</b>	<b>9,489,580.00</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,032,410.00</b>	<b>3,460,276.00</b>
Cash and cash equivalents at 1 <sup>st</sup> July 2021		6,981,453.00	3,521,177.00
<b>Cash and cash equivalents at 30<sup>th</sup> June 2022</b>		<b>15,013,863.00</b>	<b>6,981,453.00</b>

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

.....  


Chairman of the Board

Date 30/06/2022



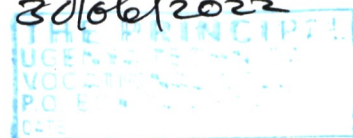
Finance Officer

Date

.....  


Principal

Date 30/06/2022



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**


**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup>**  
**JUNE 2022**

	ORIGINAL BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL ON COMPARABLE BASIS	PERFORMANCE DIFFERENCE	UTILIZATION DIFFERENCE
Details	2021-2022			2021-2022	2021-2022	2021-2022
	Kshs			Kshs	Kshs	%
<b>Revenue</b>						
Capitation grant	22,569,677.00	(5,687,177.00)	16,882,500.00	16,882,500.00	0	0%
Rendering of training services	26,863,363.00	(7,643,423.00)	19,219,940.00	18,268,980.00	(950,960.00)	4.95%
Production unit	730,000.00	(680,000.00)	50,000.00	43,800.00	(6,200.00)	12.4%
<b>Total income</b>	<b>50,163,040.00</b>	<b>(14,010,600.00)</b>	<b>36,152,440.00</b>	<b>35,195,280.00</b>		
<b>Expenses</b>						
Rendering of training services	29,609,407.00	(9,334,620.00)	20,274,787.00	20,408,734.00	(133,947.00)	0.66%
Employee costs	9,671,184.00	(2,373,824.00)	7,297,360.00	<b>7,330,576.00</b>	33,216.00	0.46%
B.O.G Allowances	1,146,000.00	(403,710.00)	742,290.00	742,290.00	0	0%
R.M.I.	1,753,787.00	(104,400.00)	1,649,387.00	1,649,387.00	0	0%
Contracted services	810,000.00	<b>(234,000.00)</b>	<b>576,000.00</b>	<b>572,000.00</b>	4,000.00	0.69%
Depreciation on PPE	1,500,000.00	2,060,232.00	3,560,432.00	3,560,432.00	0	0%
Production unit	730,000.00	(680,000.00)	50,000.00	78,250.00	(28,250.00)	56.5%
<b>Total expenditure</b>			<b>34,150,256.00</b>	<b>34,341,669.00</b>		
<b>Surplus for the period</b>				<b>853,611.00</b>		


The above statement of comparison of Budget and Actual amounts shows the figures for the original, adjustments and the final Budget. The Budget review was occasioned by the need to include the following in the Annual Budget;

- a) The cost of launching the College Bus, Appropriate Building Materials Technology Building and Tuition Block.
- b) The cost of installing the water tanks.
- c) Construction of the Bus shade costs.
- d) Acquisition of the Disc Plough
- e) Renovation of a makeshift store and
- f) Board induction expenses.

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

.....  
  
**Chairman of the Board**  
 Date 20/06/2022

.....  
  
**Finance Officer**  
 Date .....

.....  
  
**Principal**  
 Date 20/06/2022

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

Ugenya Technical and Vocational College is established by and derives its authority and accountability from TVET Act 2015. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College'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 the College's accounting policies.

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

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

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

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

**Transfers from other government entities**

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

**b) Budget information**

The original budget for FY 2021/2022 was approved by the Board on 27/05/2021. There were other additional appropriations added to the original budget by the College in order to conclude the final budget.

The College's budget is prepared on the same 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 as well as the budget is prepared on accrual basis. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, was then presented in the statement of comparison of budget and actual amounts.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**Taxes**

**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.

**Investment property**

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

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

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

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

**Property, plant and equipment**

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

It is the policy of Ugenya Technical and Vocational College to depreciate its Property, Plant and Equipment over its useful life by considering the following;

- i) If an item of property, plant and equipment is revalued, the entire class of PPE to which that asset belong shall be revalued.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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- ii) The depreciation charge for each period shall be recognized in surplus or deficit unless it is included in the carrying amount of another asset.
- iii) The depreciation method chosen shall reflect the pattern in which the asset's future economic benefits of service potential are expected to be consumed by the college.
- iv) An impairment loss of a cash generating asset-is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- v) The depreciation method applied to an asset shall be reviewed every year when the financial statements are being prepared subject to changes in the status of the asset.
- vi) The assets of UTVC shall be depreciated annually on a straight-line basis and where this method is not applicable, the revaluation method shall be adopted.
- vii) Depreciation rates as per I.T Act for most commonly used assets of the college shall be as follows;

S No.	Asset Class	Asset Type	Rate of Depreciation
1	Building	Offices/Classes/Lecture Rooms/workshops/toilets/power house	5%
2	Building	Purely temporary erections such as wooden structures	40%
3	Furniture	Furniture – Any furniture / fittings including electrical fittings and air conditioners	10%
4	Plant & Machinery	Motor Vehicles	15%
5	Plant & Machinery	Computers, Laptops, computer software, Printer, Scanner, UPS and other peripheral devices	40%
6	Plant & Machinery	Books	40%

### Leases

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

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

---

the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

**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

**Research and development costs**

The college expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the college 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.

**4. FINANCIAL INSTRUMENTS**

**Financial assets**

**Initial recognition and measurement**

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

The college determines the classification of its financial assets at initial recognition.

**Loans and receivables**

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



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**Held-to-maturity**

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

**Impairment of financial assets**

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

The debtors or a entity of debtors are experiencing significant financial difficulty

Default or delinquency in interest or principal payments

The probability that debtors will enter bankruptcy or other financial reorganization

Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

**Financial liabilities**

**Initial recognition and measurement**

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

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

**Loans and borrowing**

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

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

**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

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

---

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.

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 college.

**Provisions**

Provisions are recognized when the college 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 college 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 college 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 college 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 college 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.

**Nature and purpose of reserves**

The college has created and maintained reserves in terms of specific requirements.

**Changes in accounting policies and estimates**

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

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH**  
**JUNE 2022**

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**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.

**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.

**Related parties**

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

**Service concession arrangements**

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

**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.

**Comparative figures**

During the preparation of the financial statements for the 2021/2022F/Y, there was no comparison of figures in-respect of the past financial statements.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH  
JUNE 2022**

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**Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

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

The preparation of the college'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 college 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 college. 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 college.

The nature of the asset, its susceptibility and adaptability to changes in technology and processes

The nature of the processes in which the asset is deployed

Availability of funding to replace the asset

Changes in the market in relation to the asset

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 16.

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.

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

**6. OPERATIONAL AND CAPITATION GRANT**

Details	2021-2022	2020-2021
	Kshs	Kshs
<b>Unconditional grants</b>		
Ministry of Education – Operational Grant	0	500,000.00
Ministry of Education - Capitation Grant	16,882,500.00	18,030,000.00
Ministries Education – Capitation Grant Arrears	0	3,325,000.00
<b>Total government grants and subsidies</b>	<b>16,882,500.00</b>	<b>21,855,000.00</b>

**7. FEES FROM STUDENTS**

Details	2021-2022	2020-2021
	Kshs	Kshs
Tuition/S.E.S. and other related charges Actual Receipts	3,721,198.00	1,457,296.00
Local Travel and Tour	1,032,000.00	614,800.00
Electricity Water and Conservancy	1,200,320.00	282,430.00
Repair, Maintenance and Improvements	1,480,000.00	312,940.00
Administrative Costs	4,789,562.00	1,090,200.00
Activity	900,800.00	10,000.00
Students Organization	100,100.00	0
Medical Fees	10,200.00	0
Library Fees	132,400.00	0
KNEC Examination	4,902,400.00	2,298,174.00
<b>Total</b>	<b>18,268,980.00</b>	<b>6,065,840.00</b>

The table above shows the receipts during the year based on the accrued basis of Accounting for AIA.

**8. OTHER INCOME**

Details	2021-2022	2020-2021
	Kshs	Kshs
Tender	0	232,000.00
Tractor services	43,800.00	397,900.00
KNEC Examinations	0	0
<b>Total Revenue From service provision</b>	<b>43,800.00</b>	<b>629,900.00</b>

**9. USE OF GOODS AND SERVICES**

Details	2021-2022	2020-2021
	Kshs	Kshs
Training Materials and other related costs	4,721,198.00	4,299,105.00
Local Transport & Travel	1,689,000.00	614,800.00
Utilities (Electricity, Water and Conservancy)	552,347.00	282,430.00
Administrative Expenses	7,283,954.00	3,826,194.00
Activity (sports and recreational activities)	877,800.00	10,000.00
Students Organization	266,900.00	0
Industrial Attachment	0	394,205.00
KNEC Examination	5,017,535.00	269,817.00
<b>Total</b>	<b>20,408,734.00</b>	<b>12,124,908.00</b>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

**10. EMPLOYEE COSTS**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Salaries and wages	6,845,486.00	4,071,752.00
Employee related costs and contributions	485,090.00	347,514.00
<b>Total</b>	<b>7,330,576.00</b>	<b>4,419,266.00</b>

**11. BOARD OF GOVERNORS COSTS**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>30<sup>th</sup> June 2022</b>	<b>30<sup>th</sup> June 2021</b>
Sitting Allowance	450,000.00	1,050,000.00
Transport Allowance	102,000.00	243,000.00
Tax Charged	190,290.00	
<b>Total</b>	<b>742,290.00</b>	<b>1,193,000.00</b>

**12. REPAIRS, MAINTENANCE & IMPROVEMENTS**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cleaning Materials	230,300.00	253,270.00
Building Materials	1,230,867.00	80,010.00
Electrical Materials	117,790.00	0
Plumbing Materials	70,430.00	287,297.00
<b>Total Repairs and Maintenance</b>	<b>1,649,387.00</b>	<b>665,077.00</b>

**13. CONTRACTED SERVICES**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Security Guards	572,000.00	475,000.00
<b>Total contracted services</b>	<b>572,000.00</b>	<b>475,000.00</b>

**14. PRODUCTION UNIT**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Tender	0	19,000.00
Tractor services	78,250.00	14,050.00
Accommodation	0	391,650.00
<b>Total Revenue From service provision</b>	<b>78,250.00</b>	<b>424,700.00</b>

**15. CASH AND CASH EQUIVALENTS**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Current account	14,971,763.00	6,891,053.00
Cash at Hand	42,100.00	90,400.00
<b>Total Cash and Cash Equivalents</b>	<b>15,013,863.00</b>	<b>6,981,453.00</b>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

**16. DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

Details		2021/2022	2020/2021
Financial institution	Account number	Kshs.	Kshs.
<b>a) Current account</b>			
Kenya Commercial bank	1238447694	14,971,763.00	6,891,053.00
<b>Sub- total</b>		<b>14,971,763.00</b>	<b>6,891,053.00</b>
<b>b) Others</b>			
cash in hand		42,100.00	90,400.00
<b>Sub- total</b>		<b>42,100.00</b>	<b>90,400.00</b>
<b>Grand Total</b>		<b>15,013,863.00</b>	<b>6,981,453.00</b>

**17. RECEIVABLES FROM EXCHANGE TRANSACTIONS**

Details	2021-2022	2020-2021
	Kshs	Kshs
Student Debtors(Fees Arrear)	7,660,723.00	6,992,618.00
Aging Debts (Fees arrears)	0	8,518,000.00
<b>Total current receivables</b>	<b>7,660,723.00</b>	<b>15,510,618.00</b>

**18. INVENTORIES**

Details	2021-2022	2020-2021
	Kshs	Kshs
Stationeries	71,220.00	460,020.00
Practical materials(Training)	180,072.00	2,616,540.00
Repair Maintenance and Improvements	20,490.00	331,505.00
<b>Total inventories</b>	<b>271,782.00</b>	<b>3,408,065.00</b>

**19. PROPERTY, PLANT AND EQUIPMENT**

**SCHEDULE OF FIXED ASSET**

Description	Land	Buildings	Plant & Equipment	Catering Eqts & Cutlery	Computers	Furniture & Fittings	Total
<b>Cost</b>							
At 1 July 2021	1,920,000	53,773,964	1,918,443	89,197	683,500	2,099,399	60,484,503
Additions	0	651,980	1,638,304	0	71,900	110,000.00	2,472,184
Transfers	0	0	0	0	0	0	0
<b>At 30 June 2022</b>	<b>1,920,000</b>	<b>54,425,944</b>	<b>3,556,747</b>	<b>89,197</b>	<b>755,400.00</b>	<b>2,209,399</b>	<b>62,956,687</b>
<b>Depreciation</b>							
At 1 July 2021	0	4,644,452	554,890	18,317	71,680	812,170	6,101,509
Charge for the Year	0	2,688,678	584,544	8,920	68,350	209,940	3,560,432
<b>At 30 June 2022</b>	<b>0</b>	<b>7,333,130</b>	<b>1,139,434</b>	<b>27,237</b>	<b>140,030</b>	<b>1,022,110</b>	<b>9,661,941</b>
<b>Net Book Value At 30 June 2022</b>	<b>1,920,000</b>	<b>47,092,814</b>	<b>2,417,313</b>	<b>61,960</b>	<b>615,370</b>	<b>1,187,289</b>	<b>53,294,746</b>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

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

Details	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors	0	2,363,353.00
P. Emoluments	0	542,784.00
Contracted Services	0	44,000.00
<b>Total</b>	<b>0</b>	<b>2,950,137.00</b>

**21. PAYMENTS RECEIVED IN ADVANCE/REFUNDABLE DEPOSITS FROM STUDENTS**

Details	2021-2022	2020-2021
	Kshs	Kshs
Prepaid Fees	7,534,979.00	9,310,469.00
County Government of Siaya	0	170,000.00
<b>Total</b>	<b>7,534,979.00</b>	<b>9,480,469.00</b>

**22. USE OF GOODS AND SERVICES – CASH INFLOW**

Details	2021-2022	2020-2021
	Kshs	Kshs
Ministry of Education – Operational Grant	0	500,000.00
Ministry of Education – Capitation Grant	0	18,030,000.00
Tuition/S.E.S.& other related charges Actual Receipts	17,841,652.00	3,719,222.00
Aging Fees Arrears received	1,041,547.00	3,325,000.00
Payments received in advance	7,534,979.00	4,180,369.00
<b>Total</b>	<b>26,418,178.00</b>	<b>29,754,591.00</b>

**23. USE OF GOODS AND SERVICES – CASH OUT FLOW**

Details	2021-2022	2020-2021
	Kshs	Kshs
Training Materials and other related costs	5,459,498.00	4,299,105.00
Local Transport & Travel	1,689,000.00	614,800.00
Utilities (Electricity, Water and Conservancy)	653,047.00	282,430.00
Administrative Expenses	7,795,614.00	3,826,194.00
Activity (sports and recreational activities)	877,800.00	10,000.00
Students Organization	266,900.00	0
Industrial Attachment	0	394,205.00
KNEC Examination	5,017,535.00	269,817.00
<b>Total</b>	<b>21,759,394.00</b>	<b>12,124,908.00</b>

**24. EMPLOYEE COSTS – CASH OUT FLOW**

Details	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	6,845,486.00	4,071,752.00
Employee related costs and contributions	485,090.00	347,514.00
Salaries and other related charges cleared	542,784.00	
<b>Total</b>	<b>7,873,360.00</b>	<b>4,419,266.00</b>



**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

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**25. REPAIRS, MAINTENANCE & IMPROVEMENTS – CASH OUT FLOW**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cleaning Materials	230,300.00	253,270.00
Building Materials	1,352,070.00	80,010.00
Electrical Materials	117,790.00	0
Plumbing Materials	70,430.00	287,297.00
Arrears cleared	121,203.00	0
<b>Total Repairs and Maintenance</b>	<b>1,770,590.00</b>	<b>665,077.00</b>

**26. CONTRACTED SERVICES – CASH OUT FLOW**

<b>Details</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Security Guards	572,000.00	475,000.00
Arrears cleared	44,000.00	
<b>Total contracted services</b>	<b>616,000.00</b>	<b>475,000.00</b>

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH JUNE 2022**

**LIST OF ASSETS DONATED BY THE MINISTRY**

No	Item Description	Unit	Qty	Date Acquired	Value
	<b>COMPUTER ACCESSORIES AND EQUIPMENTS</b>				
1	Desk Top Computer Hp	No	20	30/11/2017	
2	Desk Top Computer Lenovo	No	2	2/4/2018	
3	Lap Top	No	3	30/11/2017	
4	Laserjet Printer	No	3	30/11/2017	
5	Lcd Projector With Screen	No	2	30/11/2017	
6	Projector Stand	No	2	2/4/2018	
7	Ups 650va	No	20	30/11/2017	
8	Interruptible Power Supply	No	2	2/4/2018	
	<b>Furniture</b>				
9	Teacher's Desk	No	2	2/4/2018	
10	Chairs – Plastic	No	2	2/4/2018	
11	Board Room Table – 14 Seater	No	1	2/4/2018	
12	Board Room Chairs	No	10	2/4/2018	
13	Office Desk – Radial Left Handed Desk With Three Drawer Fixed Pedestal	No	1	2/4/2018	
14	Executive Office Chair	No	1	2/4/2018	
15	Filing Cabinet – Metallic Grey	No	1	2/4/2018	
16	Computer Table	No	1	2/4/2018	
17	Fire Proof Compact Safe	No	1	2/4/2018	
18	Bookshelf - Three Doors	No	1	2/4/2018	
19	Visitors Chairs	No	6	2/4/2018	
20	Staffroom Writing Tables	No	10	2/4/2018	
21	Staffroom Chairs	No	10	2/4/2018	
22	Office/Teachers Desk With Drawer	No	10	2/4/2018	
23	Student Lecture Chairs With Armrest –W.	No	79	2/4/2018	
24	Metalic Office Cabinets	No	4	2/4/2018	
	<b>Workshop Machines</b>				
25	Engine Disassembly Bench	No	2	2/4/2018	
26	Fuel Injection Pump Test Bench	No	2	2/4/2018	
27	Injector Debugging Desk	No	2	2/4/2018	
28	Electric Nozle Cleaning Instrument	No	2	2/4/2018	
29	Connecting Rod Corrector	No	2	2/4/2018	
30	Valve Grinding Machine	No	2	2/4/2018	
31	Assembling Of Engine Axle	No	2	2/4/2018	
32	Assembling Of Front Axle	No	2	2/4/2018	
33	Assembling Of Back Axle	No	2	2/4/2018	
34	Battery Tester	No	2	2/4/2018	
35	Stabilized Power Supply	No	4	2/4/2018	
36	Charger	No	10	2/4/2018	
37	Tractor 40hp	No	1	2/4/2018	
38	Tractor 80hp	No	3	2/4/2018	
39	Tractor 120 Hp	No	1	2/4/2018	
40	Subsoiler	No	2	2/4/2018	
41	Rotary Tiller	No	2	2/4/2018	
42	Disc Plow	No	2	2/4/2018	
43	Medium Harrow	No	2	2/4/2018	
44	Ridger	No	2	2/4/2018	
45	Lawn Mower	No	2	2/4/2018	
46	Trailer With Tyres And Front Mugguard	No	2	2/4/2018	
47	Ditching Machine	No	2	2/4/2018	

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30TH JUNE 2022**

48	Maize Planter With Fertilization Parts	No	4	2/4/2018	
49	Potato Excavator	No	2	2/4/2018	
50	Corn Harvester	No	4	2/4/2018	
51	Tractor Distributor	No	4	2/4/2018	
52	Commodity Shelves	No	10	2/4/2018	
53	General Lathe	No	2	2/4/2018	
54	Fitter Training Table	No	2	2/4/2018	
55	C. Inverter Manual Arc Welding Machine	No	2	2/4/2018	
56	General Vertical Milling Machine	No	1	2/4/2018	
57	Bench Drill	No	1	2/4/2018	
58	Tool Box	Set	3	2/4/2018	
59	Spare Parts	Set	1	2/4/2018	
60	<b>Agriculture Machinery Electrical Accessories</b>				
I.	Battery	No	1	2/4/2018	
II.	Starter Motor	No	1	2/4/2018	
III.	Alternator	No	1	2/4/2018	
IV.	Wiper	No	1	2/4/2018	
V.	Water Temperature Sensor	No	1	2/4/2018	
VI.	Oil Level Sensor	No	1	2/4/2018	
VII.	Starting Switch	No	1	2/4/2018	
VIII.	Combination Switch	No	1	2/4/2018	
IX.	Oil Pressure Sensor	No	1	2/4/2018	
X.	Hydraulic Brake Switch	No	1	2/4/2018	
XI.	Operation Switch	No	1	2/4/2018	
XII.	Trumpet	No	1	2/4/2018	
XIII.	Central Control Box	No	1	2/4/2018	
XIV.	Let Front Combination Lamp	No	1	2/4/2018	
XV.	Start Safety Switch	No	1	2/4/2018	
XVI.	The Left Of Block Of Four Rocker Switch A.	No	1	2/4/2018	
XVII.	Combination Instrument	No	1	2/4/2018	
XVIII.	Power Switch	No	1	2/4/2018	
XIX.	Left Tear Combination Lamp	No	1	2/4/2018	
XX.	30a Insurance Film	No	1	2/4/2018	

**UGENYA TECHNICAL AND VOCATIONAL COLLEGE  
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022**

**I. 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	Inaccuracies in Property, Plant and Equipment	The Finance Policy of the Ugenya Technical and Vocational College has been Developed and Adopted. Letters and several follow ups have been made with the Ministry of Education to help in the registration of the college Equipment and Tractors	Partly Resolved	30 <sup>th</sup> June 2023
2	Statement of changes in Net Assets	This was reconciled as the figure quoted of kshs, 1,216,846.00 referred to Assets acquired during the Financial Year.	Resolved	-
3	Budgetary Control and Performance	The management has organised and limited its operations to the set Budgetary lines.	Resolved	-
4	Non-compliance with the law on Ethnic composition	The management is committed to compliance with the law on Ethnic composition by giving every Kenyan an opportunity to participate in the recruitment of the college staffs, even though, Kenyans from other regions have always declined the offers as indicated in our response to the management letter.	Not Resolved	30 <sup>th</sup> June 2030
5	Lack of Internal Audit Function	The management included this position in the Annual Budget for 2022/2023F/Y and this has facilitated the recruitment of the Internal Auditor.	Resolved	-



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**Elizabeth A.O. Okullu**  
 Accounting Officer  
 Principal  
 Date 28/09/2022

