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REPORT

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BY

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OF

THE AUDITOR-GENERAL

ON

**WANGA TECHNICAL AND VOCATIONAL
COLLEGE**

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



WANGA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR 22 MONTHS

THE YEAR ENDED

30TH JUNE 2021

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

WANGA TECHNICAL AND VOCATIONAL COLLEGE was incorporated/ established under the TVET Act 2013 on 1st September 2019. The College is under the Ministry of Education State Department of Technical and Vocational Training. It is located in Kakamega County, Mumias East sub county along Shianda Sabatia Road. The institution offers Technical Training in the following Departments: Building and Civil Engineering, Mechanical Engineering, ICT, Business and Institutional Management.

(b) Principal Activities

MISSION: To provide Quality technical training in Engineering and Technology to meet dynamic global needs.

VISSION; To be a leader in technical skills, training and innovation Science and technology.

CORE VALUES:

- i. **Professionalism:** consistently offer quality training and related services that are market driven
- ii. **Team Work:** Encourage positive teamwork and positive contribution from its motivated and innovative workforce
- iii. **Honesty:** Conduct its business with employees, parents, sponsors, customers and other stake holders in an honest, fair and caring manner.
- iv. **Evidence based decision making:** Observe good corporate governance at all times
- v. **Competitiveness:** Practicing fair competition
- vi. **Innovation and creativity:** Promote innovation and creativity in its training programs, service delivery and governance.

(c) Key Management

The Wanga Technical and Vocational College day-to-day management is under the following key organs:

- i) Board of Governors.
- ii) The Principal
- iii) The Senior Management Team.

(d) Fiduciary Management

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

No.	Designation	Name
1.	Principal	Mrs. Grace Opwora
2.	Deputy Principal Finance/Academics	Mrs Patricia Naliaka
3	Registrar (s)	Mr. Sylvester Burula
4	Dean of students	Mr. Dancun Owino
5	Head of Finance	Mr. Nathan Khaemba

(e) Fiduciary Oversight Arrangements

The Highest decision making organ of Wanga Technical College is the Board of Governors which operates within the prescribed Mwongozo guidelines, TVET Act provisions and the Ministry of Education and National Treasury guidelines. The BOG makes strategic and policy decisions through Board Resolutions upon receiving the reports from the Board Committees which include Education & Training Committee, Finance & Human Resources Committee, Audit & Risk Committee and Infrastructure Development Committee.

The Management is responsible for executing the Board resolutions and ensuring the relevant Acts, Laws, Guidelines and regulations are observed and adhered to. The Management therefore is tasked with the daily running of the Institution as per the Ministry guidelines. The management has a responsibility of ensuring there are sufficient internal check and controls that safeguard the public resources and interest.

Wanga Technical College, being a public institution is subject to audit by the Office of the Auditor General and the Ministry of Education Internal Auditors who provide assurance to stakeholders that the affairs of the College are run as per the laid down standards and regulations.



KEY ENTITY INFORMATION AND MANAGEMENT (Continued)

(f) Entity Headquarters
Wanga Technical and Vocational College
Along Shianda Sabatia Road,
P.O.Box 78-50106,Shianda

(g) Entity Contacts

Telephone: (254) 0710156942
E-mail: Wangatechnical@gmail.com
Website:www.wangatvc.co.ke

(h) Entity Bankers

KCB Bank Kenya Limited
MUMIAS Branch
P.O BOX 193-50102
MUMIAS




(i) Independent Auditors



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




(j) Principal Legal Adviser


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

II. THE BOARD OF GOVERNORS




	PHOTO, NAME AND POSITION	AND Period of Service	Brief Profile
1.	 CPA Charles Tung'a BOG CHAIRMAN	From November 2019 to date	Born 22 nd July 1979 A Phd Finance Student, with MBA in Finance from the UON, B.Com in Finance & A CPA(K). He is member of ICPAK, IIA(K), KIM He has over thirteen years working experience from the Banking sector and over seven years experience in Public Sector with bias in Governance, Audit, Compliance & Risk Management.
2.	 MRS GRACE W.OPWORA PRINCIPAL/SECRETARY BOG	From November 2019 to date	Born 22 nd August 1967. she is a graduate of Egerton University with a Bachelors degree in Clothing Textiles and interior design and a Diploma in teacher Education from KTTC. She has a teaching experience of 26years having served in various capacities until she rose to be the Principal.
3.		From November 2019 to date	Born 12 th March 1984. He is a holder of PHD in Business Information System. He is a senior lecturer and also Founding and Current Dean, School of computing and information Technology (SCIT), Kaimosi Friends University College (KAFUCO). He is



	<p>DR. KELVIN OMIENO MEMBER</p>		<p>the Chair Finance and Human Resource Committee.</p>
<p>4.</p>	 <p>LYNETTE INJETE OCHOLA MEMBER</p>	<p>From November 2019 to date</p>	<p>Born 16th January 1964. She holds an MBA in strategic Management from the school of Business and Economics. She is a versatile development professional with over 15 years of experience in international development.</p>
<p>5.</p>	 <p>MR. JOSEPH SUNGUTI MEMBER/CDTVET</p>	<p>From January 2021</p>	<p>Born in 1963 -He is the TVET regional Director Vihiga/ Kakamega -Masters in Education -Experience of over 10 years in TVET</p>

6.	 <p>MRS.HELLEN AKALAPATAN MEMBER</p>	From November 2019 to date	Born 7 th July 1983. A holder of Masters of Arts in project planning and management from University of Nairobi and Bachelors degree in Urban and Regional planning. She is the member of Audit and Risk Committee.
7.	 <p>CPA.EVALYNE IKWII OMASAJA MEMBER</p>	From November 2019 to date	Born 2 nd January 1979. She is a holder of Masters in Business Administration from Eastern and Southern Africa Management Institute and CPA finalist. CPA(K). Chairpers on Audit and Risk Committee.
8.	 <p>ENG.EZEKIEL AKULA MEMBER</p>	From November 2019 to date	Born 15 th October 1976. He is a holder of Master of Business Administration in strategic Management and Bachelor of Science in mechanical engineering . He is the Chair of Infrastructure committee.

9.	 <p>DR.SAMUEL GATHUKA WAWERU MEMBER</p>	From November 2019 to date	<p>D.O.B 11th November 1960.He is a holder of PhD Civil Engineering and Senior Lecturer in the Department of Civil and Structural Engineering at Masinde Muliro University of Science and Technology. He is currently the Director, Technical and Vocation Education and Training (TVET) at the University. He obtained his Doctor of Philosophy from Masinde Muliro University of Science and Technology and Master of Science in Civil Engineering from Jomo Kenyatta University of AgricultHe has published in international journals and participated in local and international conferences and workshops.</p>
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III. MANAGEMENT TEAM

No.	Member	Details
1	<p>MRS.GRACE WETENDE OPWORA</p>  <p>PRINCIPAL/SECRETARY BOG BS-Clothing in Textiles and Interior Design</p>	<p>THE PRINCIPAL -Accounting Officer. -Secretary BOG</p>
2	<p>MRS.PATRICIA NALIKA</p>  <p>DEPUTY PRINCIPAL MS.Guiding and Counselling and BS.Agriculture.</p>	<p>THE DEPUTY PRINCIPAL -Head of Academics and Administrative matters</p>
3	<p>MR.NATHAN WANJALA KHAEMBA</p>  <p>ACCOUNTANT CPA PART 2.</p>	<p>ACCOUNTANT -Financial management</p>

4	<p>MR.SYLVESTER BURULA ITEMBE</p>  <p>BSE .Supplies and HR.</p>	<p>REGISTRAR -Marketing and Admissions</p>
5	<p>MR.DANCUN OWINO</p>  <p>HND.Building and Civil Engineering.</p>	<p>DEAN OF STUDENTS -Students welfare</p>

IV. CHAIRMAN'S STATEMENT

I am delighted to present to our stakeholders the Financial Statements for the Financial year 2020/2021 for Wanga Technical College which is among the TVETS established by the Government of Kenya to ensure realization of its goals and objectives of ensuring that we have graduates who are able to use their skills and participate in nation building.

As the Board of Governors, we are guided by the TVETs Act, Mwongozo guidelines, Ministry of Education & National Treasury guidelines in ensuring we offer strategic and policy direction that is aligned with the Ministry objectives. We are aware of the oversight responsibility bestowed on us individually and collectively in achieving the set targets as signed with the Ministry. We remain focused to offer this critical direction and ensure the success of the college is realized.

While we operate as a board, we have established relevant board committees that oversees various aspects of the College and interacts with management proposals as submitted to the committees. We acknowledge that the College requires steady growth and have ensured we maintain desired stakeholders engagement to support the college as required.

In the ended Financial year, covid 19 posed many challenges to the institution and therefore we were not able to realize desired goals and objectives. The college, being a newly established one faces a myriad of challenges including lack of enough infrastructural facilities, slow enrolment, lack of sufficient financial support, lack of trainers, inadequate public awareness inter alia. We have however ensured that we set sufficient structures and offer policy direction to ensure we are guided within set rules and policies.

While the Institution has these challenges, we are optimistic that with sufficient financial support from the Ministry and with our developed strategic plan, aggressive market and steady enrolment being observed, we shall be able to set the college on an upward trajectory and ensure the goals are realized. We remain committed as a board to support the Ministry and engage at all levels to ensure Wanga College becomes an enviable institution in the country.

Signed



Date.....

15th Sept 2022

CPA Charles Tung'a
Board of Governors Chairman

V. REPORT OF THE PRINCIPAL

During the FY 2020/2021 the College continued to execute its mandate as outlined in its strategic plan. One of the key ingredients of the plan is a system of academic commitment by fostering a climate of Productivity, professionalism, excellence, accountability and transparency, equity, and Innovation in order to be competitive. The strategic plan provides for regular review of curricula and the establishment of linkages with institutions in both the public and private sectors. The other challenges facing the college include: inadequate training classrooms and workshop, inadequate number of Public Service Commission Trainers(which has resulted into the Board of Governors engaging a big number of BOG Contract trainers) Fees arrears arising from many students coming from needy families and failure of the government to disburse the Capitation funds which has been budgeted for and the Covid-19 pandemic .

CORPORATE GOVERNANCE STATEMENT

Full Board Meetings

No.	Name	Position	Meetings Attended	Meetings Absent
1	CPA Charles Tung'a	Chairperson	8	1
2	Mr. Joseph Sunguti	County Director	2	0
3	Dr. Samuel Waweru	Member	9	0
4	Dr. Kelvin Omieno	Member	9	0
5	CPA Evelyn Ikwii	Member	7	2
6	Mrs. Hellen Akalapatan	Member	9	0
7	Eng. Ezekiel Akula	Member	9	0
8	Mrs. Linnet Injete	Member	8	1
9	Mrs. Grace Wetende Opwora	Principal/Secretary	5	0

Finance & Human Resource Committee

No.	Name	Position	Meetings Attended	Meetings Absent
1	Dr. Calvin Omieno	Chairperson	3	0
2	Mrs. Lynette Injete	Member	2	1
3	Mrs. Grace Opwora	Member	3	0
4				

Education & Training Committee

No.	Name	Position	Meetings Attended	Meetings Absent
1	Dr. Samuel Waweru	Chairperson	4	0
2	Dr.Kelvin Omieno	Member	4	0
3	CPA.Evalyne Ikwii	Member	4	0
4	Mrs.Grace Opwora	Member	4	0

Infrastructure and Development

No.	Name	Position	Meetings Attended	Meetings Absent
1	Eng. Ezekiel Akula	Chairman	4	0
2	Mrs. Grace Opwora	Member	2	0
3	Mrs.Hellen Akalapatan	Member	4	0
4	Dr.Samuel Waweru	Member	4	0

Audit Committee

No.	Name	Position	Meetings Attended	Meetings Absent
1	CPA. Evelyn Ikwii	Chairman	4	0
2	ENG.Ezekiel Akula	Member	4	0
3	Mrs.Hellen Akalapatan	Member	4	0
4	Mrs.Grace Opwora	Member	4	0

VI. MANAGEMENT DISCUSSION AND ANALYSIS

During the Financial period ending 30th June 2021, the College continued to execute its mandate of skills in Technical Training. The College is drafting operational policies on diverse aspects that will assist in governance; these are Academic Policy, Finance Policy, Students Fees Policy, Alcohol and Drug Abuse Policy, HIV Aids Policy among others. During the Financial year under audit, the college complied with the following statutory requirements among others; TVET Act 2013, PFM Act 2012, Public Audit Act 2015, PSC Act 2017. We have been able to comply with statutory requirements which include the National Social Security Funds (NSSF), National Hospital Insurance Fund (NHIF) on behalf of our BOG workers in time and there are no any pending dues which are in arrears. As the upcoming college, the institution has experienced challenges in Finances arising from students fees arrears and the government not fully funding the students through government capitation grants.

VII. ENVIRONMENTAL AND SUSTAINABILITY REPORTING.

Wanga Technical and Vocational College exists to transform lives. This is our purpose and the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on five pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile

In the effort of the institution to provide quality Technical training, the top management has put in place mechanisms to ensure that the college has modern and adequate training equipment's and tools.

The government has started supporting the college in paying part of the fees of the trainees in the form of capitation which has greatly assisted trainees from poor backgrounds. The Higher Education Loans Board is also offering loans and bursaries to those trainees who cannot afford to pay their fees.

The CDF on the other hand provides bursaries for some trainees hence enabling them to complete their trainings.

Challenges in sustainability of our programmes include Insufficient funds due to the failure of the government to fully send the government capitation for all the students. Few trainers by Public service hence forcing the institution to employ trainers on Board thus increasing the wage bill, huge amounts of fees arrears arising from many students coming from needy families.

2. Environmental performance

The College organizes for tree planting activities and general cleaning of the nearby market centres to conserve the environment involving the community. During the financial year under review, the college participated in tree planting activities.

The challenges we are facing is finding seeds for nursery management and particularly the indigenous trees, space for planting seedlings and high demand for free seedlings.

3. Employee welfare

The College adheres to the OSHA 2007 Act to ensure that employees welfare is catered for accordingly. We fire fighting extinguishers in place to ensure safety should there be any fire risks.

4. Market place practices-

Responsible Competition Practice

- Wanga Technical and Vocational College respects its sister Colleges offering similar courses. It collaborates with them to ensure provision of high quality training services to trainees.
- The local political class is involved in the overall management of the College by way of membership of the Governor's representative on the Board of Governors. The area MP takes part in the nomination of members of the Board of Governors.
- Integrity is one of the core values of Wanga TVC, corrupt practices are prohibited. A committee to check on any occurrences has been created. It reports its findings to the board of governance

- (b) The Supply Chain office is manned by qualified officer who ensure compliance with procurement regulations. Procurement of goods and services are through open bidding/tendering system. Successful suppliers are paid on time - within 90 days.
- (c) Our goods and services are advertised through trusted channels – College website, through posters and social media eg whatsapp groups and facebook . Accurate and reliable information is communicated to allow users make informed decisions.
- (d) Product Stewardship
Our trainees are attended to by qualified trainers. They have the right to be trained, change course, advance, transfer to other colleges, sit for examinations when ready, go for attachment to areas of their choice. Through their representatives, the College management is able to attend to their concerns.

5. Community Engagements-

The following activities form part of evidence of the College community engagements:

- (a) Giving priority to local community in employment as long as the applicants meet the required qualifications.
- (b) Engaging in tree planting activities with the local community.
- (c) Providing courses that meet the needs of the local community with their qualifications like Artisan and Certificate courses.

VIII. REPORT OF THE BOARD OF GOVERNORS

The Board members submit this report together with the financial statements for the year ended June 30, 2021 which shows the state of Wanga Technical and Vocational College affairs.

Principal activities

The principal activity of Wanga Technical and Vocational College is to provide Technical and vocational training.

AUDITORS

The Auditor General is responsible for the statutory audit of Wanga Technical and Vocational College in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 and TVET Act, 2013. Certified Public Accountants may be nominated by the Auditor General to carry out the audit of Wanga Technical and Vocational College for the year/period ended June 30, 2021 in accordance with section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf.

By Order of the Board

PRINCIPAL
WANGA TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 78 - 50106, SHIADA
DATE: 31/8/21 SIGN: 

..... Date

MRS. GRACE WETENDE OPWORA
PRINCIPAL/SECRETARY BOG
WANGA TECHNICAL AND VOCATIONAL COLLEGE

IX. STATEMENT OF BOARD OF GOVERNORS MEMBERS' RESPONSIBILITIES

The members of the Board have committed themselves to the service of Wanga Technical and Vocational College and to uphold the tenets of good corporate governance by being innovative, transparent, accountable, persons of integrity, socially responsive, as well as promote excellence and exercise fairness in all their dealings.

I. The Board

The Board consists of nine members inclusive of the Principal as the Secretary. The Board members consist of the following;

NO.	NAME	TITLE
1	CPA.Charles Tung'a	Chairman
2	Mr. Joseph Sunguti	Member-TVET-County Director
3	CPA.Evalyne Ikwii Omasaja	Member
4	Dr.Kelvin Omieno	Member
5	Eng.Ezekiel Akula	Member
6	Mrs.Hellen Akalapatan	Member
7	Mrs.Lynette Injete Ochola	Member
8	Dr.Samuel G.Waweru	Member
9	Mrs.Grace Wetende Opwora	Principal/Secretary

The biographies of the Board Members are published on page 5-7. These Board Members possess a broad range of skills, qualifications and experiences required to direct the affairs of the College.

II. Board Responsibilities

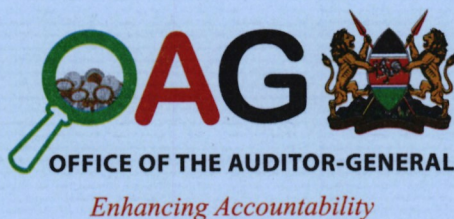
The College Board undertakes the following responsibilities:

1. The Board is the governing body of the College through which the College acts and undertakes the following;
 - a) Administers the property and funds of the College in a manner and for the purposes which promotes the interest of the College; but the Board does not charge or dispose of immovable property of the College except in accordance with the procedures laid down by the Government of Kenya.
 - b) Receives, on behalf of the College donations, endowments, gifts, grants or other moneys and makes disbursements there from the College or other bodies or persons.

- c) Provides for the welfare of the staff and students of the College.
 - d) May enter into association with other Colleges, training Colleges or other institutions of learning, whether within Kenya or otherwise, as the Board may deem necessary and appropriate and
 - e) May make regulations governing the conduct and discipline of the students of the College.
2. All documents, other than those required by law to be under seal, made on behalf of the Board, and all decisions of the Board may be signed under the hand of the Chairman, the Principal or any other member of the Board generally or specifically authorized by the Board in that behalf.
 3. Ensures that a proper management structure is in place and that the structure functions to maintain corporate integrity, reputation and responsibility.
 4. Monitors and evaluates the implementation of strategies, policies & management criteria and plans of the College.
 5. Constantly review the viability and financial sustainability of the College and does so once every year.
 6. Ensure that the College complies with all the relevant laws, regulations, governance practices,; accounting and auditing standards.

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON WANGA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Wanga Technical and Vocational College set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2021, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya, the Public Finance Management Act, 2012, 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Wanga Technical and Vocational College as at 30 June, 2021, 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 do not comply with the Public Finance Management Act, 2012, and the Technical and Vocational Education and Training Act, 2013.

Basis for Adverse Opinion

1. Inconsistency in Reporting Period reference

The cover page of the report and financial statements of Wanga Technical and Vocational College indicate that the reporting period is for 22 months ended 30 June, 2021, while titles to financial statements reflect financial year ended 30 June, 2021.

In the circumstances, the financial statements do not conform to provisions of the financial recommended financial reporting framework.

2. Variances Between Financial Statements and Supporting Schedules

Variances were noted between the figures reported in the financial statements and those in supporting schedules, as indicated below:

Item	Financial Statement Balance (Kshs.)	Ledger Balance (Kshs.)	Variance (Kshs.)
Use of Goods and Services	5,441,562	4,456,716	984,846
Employee Costs	4,615,344	4,805,344	(190,000)
Depreciation and Amortization	2,457,027	2,375,021	82,006
Receivables from Non-exchange Transactions	9,162,000	7,925,000	1,237,000
Inventory	96,705	-	96,705
Trade and other Payables from Exchange Transactions	2,166,848	2,156,848	10,000
TOTAL	23,939,486	21,718,929	2,220,557

In the circumstances the accuracy of the balances reflected in the financial statements could not be confirmed.

3. Unsupported Procurement of Goods and Services

Review of documents provided indicated that payments amounting to Kshs.1,665,492 were made to three companies for supply of security services, t-shirts, carbon rods, accountable documents, and catering services. However, the respective procurement

documents such as contracts, requisitions, tenders or quotations, evaluation reports and minutes, delivery notes, and stores records were not provided for audit review.

In the circumstances, validity of the expenditure of Kshs.1,665,492 could not be confirmed.

4. Unsupported Receivables from Exchange Transactions

The statement of financial position reflects, current receivables from exchange transactions balance of Kshs.2,295,429 as at 30 June, 2021. However, ledgers, schedules, aging analysis and fee management policy were not provided for audit.

In the circumstances, the accuracy and completeness of the receivables balance could not be confirmed.

5. Unsupported Property, Plant and Equipment

Included in the property plant and equipment balance of Kshs.66,134,284 are assets costing Kshs.64,569,326 that were acquired by mentor institution, Sang'alo Institute of Science and Technology, whose cost of acquisition was not supported by handover report from mentor institution or payment vouchers, invoices, delivery notes and store cards.

In the circumstances, the accuracy and completeness of the balance of property, plant and equipment amounting to Kshs.66,134,284 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Wanga 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resource sections of my report, based on

the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with law on Ethnic Composition

Review of human resource documents, indicates the College had ten (10) employees. However, all the 10 employees were from the same ethnic community, contrary to the provisions of Section 7(2) of the National Cohesion and integration Commission Act, 2008, which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

2. Unconfirmed Procurement of Goods and Services

The statement of financial performance and as disclosed in Note 9 to the financial statements reflect Kshs.5,441,562 under use of goods and services. However, expenditure totalling Kshs.1,239,800 was not supported with relevant documentation including requisitions, advertisements, contracts, award letters, tender committee minutes, professional opinion, inspection and acceptance reports, stores records and budget and approvals. This was contrary of Regulation 104 (1) of Public Financial Management (National Government) Regulations, 2015, which stipulates that all receipts and payment vouchers of public moneys shall be properly supported and authorized appropriately.

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

3. Idle Borehole

Included in the property plant and equipment balance of Kshs.66,134,284 is a borehole at cost of Kshs.2,000,000 that was funded by Mumias East Constituency which has remained unutilized since 2019. Further, another borehole funded by Lake Victoria North Water works Development Agency had been done just 6 metres apart, fitted with equipment and was being used. This has left the earlier one without use and incomplete.

In the circumstances, the College did not get value for its money on the expenditure of Kshs.2,000,000.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 September, 2022

X. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

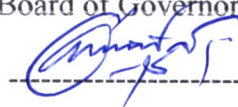
	Notes	1 st Sept 2019- 30 th June 2021
		ksh
Revenue from non-exchange transactions		
Transfers from the National Government:		
Capitation Grants	6(a)	9,420,000.00
Recurrent Grants	6(b)	3,000,000.00
Mumias East	6(C)	576,000.00
CDF		
Total Revenue from non exchange transactions		12,996,000.00
Revenue from exchange transactions		
Rendering of services- Fees from students	7	9,323,314.00
Other income	8	552,417.00
Total Revenue from exchange transactions		9,875,731.00
Total revenue		22,871,731.00
Expenses		
Use of goods and services	9	5,441,562.00
Employee costs	10	4,615,344.00
Remuneration of directors	11	1,639,880.00
Depreciation and amortization expense	12	2,457,027.00
Repairs and maintenance	13	148,745.00
Finance costs	14	20,549.00
Total expenses		14,323,107.00
Net Surplus for the year		8,548,624.00

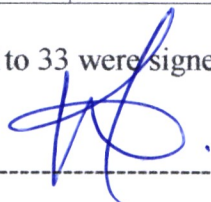
The notes set out on pages 20 to 27 form an integral part of the Annual Financial Statements.

XI. STATEMENT OF FINANCIAL POSITION AS AT 30th June 2021

	Notes	1 st sept 2019-30 th June 2021
		Kshs
Assets		
Current assets		
Cash and cash equivalents	15	562,779.00
Current portion of receivables from exchange transactions	17	2,295,429.00
Receivables from non-exchange transactions	18	9,162,000.00
Inventories	19	96,705.00
Total current assets		
Non-current assets		
Property, plant and equipment	20	66,134,284.29
Total non-current assets		66,134,284.29
Total assets		78,251,197.29
Liabilities		
Current liabilities		
Trade and other payables from exchange transactions	21	2,166,848.00
Refundable deposits from students	22	96,230.00
Total liabilities		2,253,078.00
net assets		75,939,106.29
Accumulated surplus		8,482,005.29
Capital Fund		67,457,101.00
		75,939,106.29

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





Chairman Board of Governors

Finance Officer

Principal

Date: 1st Sept 2022

ICPAK No. 15279

Date: 1/9/2022

Date: 31/8/22

PRINCIPAL

WANGA TECHNICAL & VOCATIONAL COLLEGE
P.O. Box 78 - 50106, SHIADA

DATE: 31/8/22 SIGN: 

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

	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Capital /Development Grants/fund	Total
At September 1, 2019	0.00	0.00	0.00	0.00	0.00
Revaluation gain	0	-	-	-	0
Fair value adjustment on quoted investments	-	-	-	-	0
Total comprehensive income	-	-	8,482,005.00	-	8,482,005.00
Capital/Development fee received from students	-	-	-	67,457,101.00	67,457,101.00
Transfer of depreciation/amortisation from capital fund to retained earnings	-	-	2,457,027.00	(2,457,027.00)	-
	0.00	0.00	10,939,032.00	65,000,074.00	75,939,106.00

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

	NOTE	2019-2021
		KSH.
Cash flows from Operating activities:		
Receipts:		
Tuition fees and Government Grants(capitation)		12,186,509.00
Total Receipts		12,186,509.00
Payments:		
Employees costs		4,615,344.00
Use of goods and services		5,441,562.00
BoG Remuneration		1,421,880.00
Total Payments		11,478,786.00
Net Cash inflows from Operating Activities		707,723.00
Cashflows from Investing Activities:		
Development Fees		238,434.00
Acquisition of Furniture		(100,000.00)
Net cash inflows from Investing activities		138,434.00
Cashflows from Financing Activities:		
Finance costs (Bank Charges)		(20,549.00)
Net Cash outflows from Financing Activities		(20,549.00)
NET CASH INFLOWS		562,779.00
Opening Cash and Cash equivalents		0
Cash and cash equivalents 30.6.2021		562,779.00

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

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	2020-2021
	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021	2020-2021
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Revenue from non-exchange transactions						
Transfers from the National Government:	12,996,000.00	0	12,996,000.00	12,996,000.00	0	
<i>Total Revenue from non exchange transactions</i>						
Revenue from exchange transactions					0	
Rendering of services- Fees from students	9,323,314.00		9,323,314.00	9,323,314.00	0	
Other income	552,417.00	0	552,417.00	552,417.00	0	
<i>Total Revenue from exchange transactions</i>	<i>9,875,731.00</i>	<i>0</i>	<i>9,875,731.00</i>	<i>9,875,731.00</i>	<i>0</i>	
Total revenue	22,871,731.00	0	22,871,731.00	22,871,731.00	0	
Expenses						
Use of goods and services	5,441,562.00	0	5,441,562.00	5,441,562.00	0	
Employee costs	4,615,344.00	0	4,615,344.00	4,615,344.00	0	
Remuneration of directors	1,639,880.00	0	1,639,880.00	1,639,880.00	0	
Depreciation and amortization expense	2,457,027.00	0	2,457,027.00	2,457,027.00	0	
Repairs and maintenance	148,745.00	0	148,745.00	148,745.00	0	
Finance costs	20,549.00	0	20,549.00	20,549.00	0	
Total expenses	14,323,107.00	0	14,323,107.00	14,323,107.00	0	

1. GENERAL INFORMATION

Wanga TVC is an entity established by and derives its authority and accountability from TVET Act 2013. Wanga Technical and Vocational College is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is offering technical 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 Wanga Technical and Vocational College accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. ADOPTION OF NEW AND REVISED STANDARDS

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

Standard	Impact
Other Improvements to IPSAS	<p>Applicable: 1st January 2021:</p> <p>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and/or national accounting frameworks.</p> <p>b) IPSAS 13, Leases and IPSAS 17, Property, Plant, and Equipment. Amendments to remove transitional provisions which should have been deleted when IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</p> <p>c) IPSAS 21, Impairment of Non-Cash-Generating Assets and IPSAS 26, Impairment of Cash Generating Assets. Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant, and Equipment and IPSAS 31, Intangible Assets.</p> <p>d) IPSAS 33, First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the Standard.</p>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Standard	Effective date and impact:
<p>IPSAS 41: Financial Instruments</p>	<p>Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> •Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; •Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and •Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023:</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. d) Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Rendering of services

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

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

Sale of goods

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

Interest income

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

Dividends

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Revenue recognition (Continued)

ii) Revenue from exchange transactions (continued)

Rental income

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

b) Budget information

The original budget for FY 2020/2021 was approved by the Council or Board. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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

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

c) Taxes

Current income tax

Wanga Technical and Vocational College is exempt from paying taxes as per Companies Act .2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Taxes (continued)

Sales tax/ Value Added Tax

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

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

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

d) Investment property

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

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of 5 years.

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

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

e) Property, plant and equipment

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

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

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

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

g) Intangible assets

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

h) Research and development costs

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments

Financial assets

Initial recognition and measurement

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

Loans and receivables

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

Held-to-maturity

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

Impairment of financial assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities

Initial recognition and measurement

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

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

Loans and borrowing

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

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

i) Inventories

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Inventories (Continued)

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

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

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

j) Provisions

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

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

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

Contingent liabilities

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

Contingent assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

l) Changes in accounting policies and estimates

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

m) Employee benefits

Retirement benefit plans

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

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

n) Foreign currency transactions

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

o) Borrowing costs

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Related parties

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

q) Service concession arrangements

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

r) Cash and cash equivalents

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

s) Comparative figures

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

t) Subsequent events

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

5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and assumptions

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

Useful lives and residual values

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

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

Provisions

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

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

NOTES TO THE FINANCIAL STATEMENTS

6. TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description			16 th Sept 2019-30 th June 2021
			ksh
Unconditional grants			
a)Capitation grants	Quarter 1	0.00	00.00
	Quarter 2	0.00	00.00
	Quarter 3	780,000.00	780,000.00
	Quarter 4	1,822,500.00	1,822,500.00
Accrued Capitation			6,817,500.00
Total capitation grants received			9,420,000.00
b) Recurrent grants received 2019/2020	Quarter 4	1,000,000.00	1,000,000.00
2020/2021	Quarter 1	500,000.00	
	Quarter 2	500,000.00	
	Quarter 3	500,000.00	
	Quarter 4	500,000.00	2,000,000.00
Total recurrent grants (2019-2021)			3,000,000.00
Total unconditional government grants and subsidies			12,420,000.00
conditional grants			
Mumias East CDF			576,000.00
TOTAL GOVERNMENT GRANTS AND SUBSIDIES			12,996,000.00

(d) STUDENTS DEVELOPMENT FEES

YEAR	SEPT 16 th 2019- 30 th JUNE 2021
Students development fees – Paid	238,434.00 436,566.00
Accrued	
	675,000.00

NOTES TO THE FINANCIAL STATEMENTS

7. RENDERING OF SERVICES

Description	16 th sept 2019-30 th June 2021 Ksh.
Tuition fees	2,134,822.00
Activity fees	275,464.00
Examination fees	475,671.00
Library fees	85,056.00
Admission fees	46,500.00
Personal emoluments fees	934,960.00
Electricity, Water and other contingents' fees	262,879.00
Administrative cost fees	900,392.00
Repairs and maintenance fees	317,717.00
Local Travel and Transport fees	359,239.00
Students council fees	130,429.00
Fees Arrears	885,822.00
Caution Money	96,230.00
Students ID income	16,400.00
ICT fees	84,344.00
Insurance fees	21,960.00
Accrued students fees	2,295,429.00
Total revenue from the rendering of services	9,323,314.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. OTHER INCOME

Description	16 th sept 2019-30 th June 2021
Salary advances	23,600.00
Income from sale of tender	70,000.00
Direct credits	458,817.00
Total other income	552,417.00

9. USE OF GOODS AND SERVICES

Description	16 th sept 2019-30 th June 2021
Tuition	239,435.00
Electricity and Water	188,318.00
Administrative Costs	2,814,020.00
Student council	11,300.00
Tender	21,080.00
Students ID	80,000.00
Activity	34,600.00
Examination fees	373,850.00
Ict	15,000.00
Travelling and accommodation	95,680.00
Postage	7,725.00
Printing and stationery	62,760.00
Peelings Security	768,892.00
Wape Security	215,952.00
Add accrued expenses	
Printing of L.S.O.I PO, supply of Tshirts, caps and catering services	200,000.00
Supply of stationery and ict maintenance services	110,890.00
KATII registration and subscription	125,000.00
Catering services (makunga catering services)	23,400.00
Supply of circuit breakers(Omunyisia)	35,160.00
Supply of envelopes (Sigmap siblings)	18,500.00
Total goods and services	5,441,562.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE COSTS

	16 th sept 2019-30 th June 2021
	Ksh.
Salaries and wages/Personal Emoluments	4,435,344.00
Employees Salary arrears	180,000.00
Employee costs	4,615,344.00

11. REMUNERATION OF DIRECTORS

Description	16 th sept 2019-30 th June 2021
	Ksh.
Directors emoluments	1,421,880.00
Accrued Board Arrears	218,000.00
Total director emoluments	1,639,880.00

12. DEPRECIATION AND AMORTIZATION EXPENSE

Description	16 th sept 2019-30 th June 2021
Property, plant and equipment	2,457,027.00
Total depreciation and amortization	2,457,027.00

13. REPAIRS AND MAINTENANCE

Description	16 th sept 2019-30 th June 2021
	Kshs.
Property, equipment and computers	148,745.00
Total repairs and maintenance	148,745.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. FINANCE COSTS

Description	16 th sept 2019-30 th June 2021
	Kshs.
Bank Charges	20,549.00
Total finance costs	20,549.00

15. CASH AND CASH EQUIVALENTS

Description	16 th sept 2019-30 th June 2021
	Ksh.
KCB Current account 1269737082	385,128.00
KCB Project Account 1269737066	138,791.00
Cash at hand	38,860.00
Total cash and cash equivalents	562,779.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Financial institution	Account number	16 th sept 2019-30 th June 2021
		Ksh.
a)Current account		
Kenya Commercial bank		385,128.00
Sub- total		385,128.00
b)Project account		
Kenya Commercial bank		138,791.00
Sub- total		138,791.00
a) Others(specify)		
cash in hand		38,860.00
Sub- total		38,860.00
Grand total		562,779.00

17. RECEIVABLES FROM EXCHANGE TRANSACTIONS

(a)Current Receivables from Exchange Transactions

Description	16 th sept 2019-30 th June 2021
	Ksh.
Current receivables	
Student fees arrears	2,295,429.00
Total current receivables	2,295,429.00

18. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Description	16 th sept 2019-30 th June 2021
	Ksh.
Current receivables	
Capitation grants accrued	6,817,500.00
Capitation grant 4 th Quarter	1,822,500.00
Operation grants quarter 4	500,000.00
Employees salary Advance	22,000.00
Total current receivables from non-exchange transactions	9,162,000.00

19. INVENTORIES

Description	Amount
	Ksh.
Stationeries	28,430.00
Football players kits	22,350.00
Envelopes	18,500.00
Maize in stock	27,425.00
Total Inventories	96,705.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

20. PROPERTY, PLANT AND EQUIPMENT

Cost	Buildings	Furniture and fittings	Computers and printers	Property Plant and equipment	Land	Total
	Shs.	Shs.	Shs.	Shs.	Shs.	Shs.
At 16 th September 2019	57,909,817.00	2,879,300.00	1,067,984.00	2,000,000.00	3,600,000.00	67,457,101.00
Additions	0	341,000.00	246,500.00	546,711.00	0	1,134,211.00
Disposals	0	0	0	0	0	0.00
Transfers/adjustments	0	0	0	0	0	0.00
At 30th June 2021	57,909,817.00	3,220,300.00	1,314,484.00	2,546,711.00	3,600,000.00	68,591,312.00
Depreciation and impairment	2%	15%	33%	15%	0%	
Depreciation	1,158,196.34	483,045.00	433,779.72	382,006.65	0.00	2,457,027.00
Impairment	-	-	-	-	-	0.00
At 30th June 2021	1,158,196.34	483,045.00	433,779.72	382,006.65	-	2,457,027.00
At 30th June 2021	56,751,620.00	2,737,255.00	880,704.00	2,164,704.00	3,600,000.00	66,134,284.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Description	16 th sept 2019-30 th June 2021
	Ksh.
Trade payables(Sundry creditors)	1,914,061.00
Fees paid in advance	252,787.00
Total trade and other payables	2,166,848.00

22. REFUNDABLE DEPOSITS FROM STUDENTS

Description	16 th sept 2019-30 th June 2021
	Ksh.
Caution money	96,230.00
Total deposits	96,230.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. FINANCIAL RISK MANAGEMENT

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

The entity's financial risk management objectives and policies are detailed below:

(i) Credit risk

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

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

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Ksh
At 30th June 2021	
Receivables from exchange transactions(Students fees arrears)	2,295,429.00
Receivables from non-exchange transactions(capitation and recurrent grants accrued)	9,162,000.00
Bank balances	385,128.00
Total	11,842,557.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

44. FINANCIAL RISK MANAGEMENT (Continued)

(i) Credit risk (continued)

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

The entity has significant concentration of credit risk on amounts due from 2019

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

(ii) Liquidity risk management

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

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

17. EVENTS AFTER THE REPORTING PERIOD

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

18. ULTIMATE AND HOLDING ENTITY

Wanga technical and Vocational College is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

19. CURRENCY

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

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APPENDIX I: INTER-ENTITY TRANSFERS

ENTITY NAME		WANGA TECHNICAL AND VOCATIONAL COLLEGE		
Break down of Transfers from the State Department of TVET-Ministry Of Education				
FY 2019 to 2021				
a.	Recurrent Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	Capitation Grants Quarter 1	-	0.00	
	Quarter 2	-	0.00	
	Quarter 3	16/4/2021	780,000.00	2020/2021
	Quarter 4	14/7/2021	1,822,500.00	2020/2021
		Total	2,602,500.00	
b.	Operational Grants			
		<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		20/5/2020	1,000,000	2019/2020
		20/11/2020	500,000	2020/2021
		4/3/2021	500,000	2020/2021
		28/4/2021	500,000	2020/2021
		15/7/2021	500,000	2020/2021
		Total		

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

Finance Manager
Wanga Technical and vocational
Education
College

Sign **PRINCIPAL**
WANGA TECHNICAL & VOCATIONAL COLLEGE
P. O. Box 78 - 50106, SHIADA
DATE: 31/8/21 SIGN: 

Head of Accounting Unit
Ministry of

Sign-----

APPENDIX II: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature : Recurrent/ Development/ Others	Total Amounts -KES	Where recorded/ Recognized						Total Transfers During the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others must be specific		
Ministry of Education	20/5/2020	Recurrent	1,000,000.00	✓	-	-	-	-	1,000,000.00	
Ministry of Education	20/11/2020	Recurrent	500,000.00	✓	-	-	-	-	500,000.00	
Ministry of Education	4/3/2021	Recurrent	500,000.00	✓	-	-	-	-	500,000.00	
Ministry of Education	16/4/2021	Capitation grant	780,000.00	✓	-	-	-	-	780,000.00	
Ministry of Education	28/4/2021	Recurrent	500,000.00	✓	-	-	-	-	500,000.00	
Ministry of Education	14/7/2021	Capitation grant	1,822,500.00	✓	-	-	-	-	1,822,500.00	
Ministry of Education	15/7/2021	Recurrent	500,000.00	✓	-	-	-	-	500,000.00	
Total			5,602,500.00						5,602,500.00	

APPENDIX III: BANK RECONCILIATION STATEMENT

BANK RECONCILIATION STATEMENT AS AT 30th JUNE 2020

Bank balance as per the Bank Statement ksh. 423,120.00

Less Unpresented Cheques

NSSF Cheque No.157 ksh. 28,142.00

NHIF Cheque No.158 ksh. 9,850.00 **37,992.00**

Balance as per the Cash book ksh. 385,128.00

