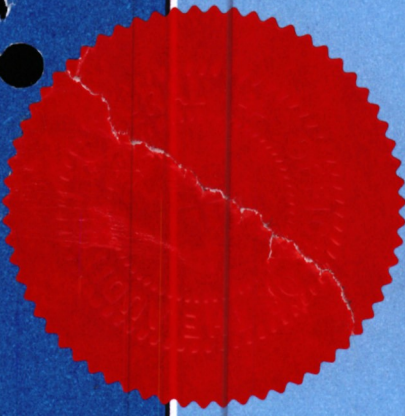


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

NATIONAL ASSEMBLY

PARLIAMENT  
OF KENYA  
LIBRARY

DATE: 03 AUG 2023

DAY  
WED

**OF:**

Hon Owen Baya, MP  
Deputy Leader, majority  
Ahmed Kadhi

TABLED  
CLERK AT  
THE TABLE:

**THE AUDITOR-GENERAL**

**ON**

**BELGUT TECHNICAL AND VOCATIONAL  
COLLEGE**

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





OFFICE OF THE ATTORNEY GENERAL  
P. O. Box 21000  
Nairobi  
02 JUN 2023  
RECEIVED



**BELGUT TECHNICAL AND VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30<sup>TH</sup> JUNE 2022**



## Table of Contents

|  |       |
|--|-------|
| I. KEY ENTITY INFORMATION AND MANAGEMENT.....  | ii    |
| II. BOARD OF GOVERNORS.....  | v     |
| III. MANAGEMENT TEAM.....  | vii   |
| V. REPORT OF THE PRINCIPAL.....  | xii   |
| VI. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES.....                               | xiv   |
| VII. CORPORATE GOVERNANCE STATEMENT.....   | xvii  |
| VIII. MANAGEMENT DISCUSSION AND ANALYSIS.....  | xvii  |
| IX. ENVIRONMENTAL AND SUSTAINABILITY REPORTING STATEMENT.....                                    | xvii  |
| X. REPORT OF THE BOARD OF GOVERNORS.....   | xx    |
| XI. STATEMENT OF BOARD OF GOVERNOR'S RESPONSIBILITIES.....                                       | xxi   |
| XII. REPORT OF THE AUDTOR GENERAL ON BELGUT TECHNICAL AND VOCATIONAL COLLEGE.....                | xxiii |
| XIII. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022.....                    | 1     |
| XIV. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022.....                                     | 3     |
| XV. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022.....                      | 5     |
| XVI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022.....                                | 6     |
| XVII. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE YEAR ENDED<br>30 JUNE 2022..... | 8     |
| XVIII. NOTES TO THE FINANCIAL STATEMENTS.....  | 10    |
| XIX. APPENDICES.....   | 38    |

## **I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information.**

Belgut Technical and Vocational College was incorporated/ established under the TVET Act No. 29 of 2013 on 14<sup>th</sup> April, 2019. The entity is domiciled in Kenya and has no branches. The institute is under the Ministry of Education.

The Board of Governors do oversight the institutions operational activities. The day to day operations is undertaken by a management team comprising the Principal. Deputy Principal, Registrar, Dean of Students, Finance officer and Procurement officer.

There are five departments namely, Electrical and Electronics Engineering, Building and Civil Engineering, Business, Information Communication Technology and Informatics, Institutional Management and Fashion Design.

The departments are all housed under one institutional tuition block with administrative offices, classrooms, ICT laboratory, Fashion and Design workshop and stores.

It is located in a fenced five-acre land, in Belgut Constituency, Kericho County.

**(b) Principal Activities.**

The principal activity is to offer technical and business training services.

The institutions vision is to be a leading TVET institution in the provision of diverse technologies that meet the needs and expectations of the industry.

The mission is to equip trainees with quality and relevant skills responsive to the industry

The institutions core values are Teamwork, Commitment, Accountability, Integrity and Creativity and Innovation

The strategic objectives are:

1. Develop relevant skills for the 'Big four initiatives and vision 2030'
2. Establish linkages through collaboration and partnerships with industry and training institutions for research and innovation
3. Build capacity of the college's human resource
4. Mobilize financial resources for the institution

**(c) Key Management.**

Belgut technical and vocational college's day-to-day management is under the following key organs:

Board of Governors is the oversight top organ.

Principal is the accounting officer and the secretary to the Board of Governors.

The Management team comprises the Principal, Deputy Principal, Registrar, and Dean of students, Finance officer and the Procurement officer.

The Heads of departments form the middle management team.

**(d) Fiduciary Management.**

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

| No | Designation                               | Name                    |
|----|---|-------------------------|
| 1. | Principal                                 | <b>Ernest Cheruiyot</b> |
| 2. | Deputy principal Administration/Academics | <b>John Tarus</b>       |
| 3. | Registrar                                 | <b>Bernard Korir</b>    |
| 4. | Dean of students                          | <b>Eric Chumba</b>      |
| 5. | Head of Finance                           | <b>Wesley Bii</b>       |
| 6. | Procurement officer                       | <b>Mercy Kirui</b>      |

**(e) Fiduciary Oversight Arrangements**





The fiduciary oversight is executed by the Board through the established Board Committees as follows:

- i. Audit and Risk Management Committee that receive audit reports, from internal auditor, deliberate on them, make recommendations and present a report for ratification and approval during the full board meetings held on quarterly basis over the financial year.
- ii. Education and Training and Human Resource Management Committee – training machines, equipment, tools and materials, staff trainings, academic programmes and courses, recruitment of staff, discipline, motivations and continuous development. Operational activities such as quality management systems.
- iii. Finance and Infrastructure Committee – Finance reports: Quarterly and annual financial statements, infrastructural development/facilities- new Buildings, renovations, maintenance and improvements, sourcing development partners and sponsors.





**Key Entity Information and Management**


- (f) **Headquarters**  
Belgut Technical and Vocational College  
P.O. Box 205 – 20200, Kericho.  
Chepng'etuny Shopping Centre, off Kericho-Litein Road  
Belgut Sub-County  
Kericho County, KENYA
- (g) **Contacts**  
Telephone: (254) 701566195  
E-mail: [belguttechnical@gmail.com](mailto:belguttechnical@gmail.com)  
[info@betti.ac.ke](mailto:info@betti.ac.ke)  
Website: [www.belguttechnical.ac.ke](http://www.belguttechnical.ac.ke)
- (h) **Bankers**  
Kenya commercial Bank,  
Kericho Branch  
P.o Box 43-20200  
Kericho  
Account numbers;  
1257399845  
1290546444
- (i) **Independent Auditors**  
Auditor-General  
Office of Auditor General  
Anniversary Towers, University 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. BOARD OF GOVERNORS**



| No. | Member/ Director   | Details  |
|-----|--|--|
| 1.  | <br>Dr. Rotich John kimutai: Chairman | Born on 1 <sup>st</sup> February,1980.<br><br>Holds doctorate in mathematics and has wide experiences in teaching at the University.<br><br>He is currently the Chairman of the Board of Governors.      |
| 2.  | <br>Prof. Susan Abong'o: Member      | Born on ....<br><br>A professor in Fashion and Design, a lecturer at Maseno University<br><br>She the chairperson of the Education and Training and Human Resource Management Committee                  |
| 3.  | <br>Mr. Ken Agutu: Member           | Born on 10 <sup>th</sup> November,1962<br><br>Currently a private consultant in corporate finance and human resource services and the Chairman of the Finance and Infrastructure committee of the Board. |
| 4.  | <br>CPA Gilbert Bii: Member         | Born on 7 <sup>th</sup> December,1986<br><br>Currently a banker with Equity Bank and the Chairman of the Audit and Risk Management committee of the Board.   |

Belgut Technical and Vocational College  
Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022





|    |  |   |
|----|--|---|
| 5. | <br>Eng. Wesley Tonui: Member         | <p>Born On 21<sup>st</sup> January, 1965.</p> <p>An engineer with the ministry of Public works with wide experience in building technology</p> <p>He is a member of the Finance &amp; Infrastructure as well as the Education and training and human resource Management Committees</p> |
| 6. | <br>Ev. Nyongesa Wandera: Member      | <p>Born on -----</p> <p>Currently serving as an Evangelist in western Kenya</p> <p>He is a member of the Audit and Risk Management Committee.</p>   |
| 7. | <br>Mr. Brian Sagala: Member        | <p>Born on 4<sup>th</sup> December, 1985</p> <p>He is an ICT consultant in Nairobi.</p> <p>Currently serving as a member of the Audit and Risk Management committee</p>   |
| 8. | <br>Mr. Ernest Cheruiyot: Principal | <p>Born on 1st January, 1963. The Principal has masters in Entrepreneurship Development.</p> <p>He is the secretary to Board of Governors and the Board committees.</p> <p>Has wide experiences in human resource management and general administration in corporate institutions.</p>  |

|    |  |  |
|----|--|--|
| 9. | <br>Mr. Peter Cheruiyot | Born on 8 <sup>th</sup> August, 1972.<br><br>He is the representative of the Cabinet Secretary in charge of Ministry of Education.<br><br>He is also a member of the Education and training and Human Resource Management Committee. |
|----|--|--|

### III. MANAGEMENT TEAM

| No. | Member/ Director  | Details   |
|-----|---|---|
| 1.  | <br>Mr. Ernest Cheruiyot<br>The Principal/BOG Secretary<br>Msc. in Entrepreneurship | Born on 1 <sup>st</sup> January, 1963<br><br>Responsible for:<br><br>Curriculum implementation, Financial Management, Procurement, Human Resource Management, Infrastructure Maintenance and development, Strategic Management, Establishment of Linkages and collaborations.<br><br>He is the accounting officer of the institution. |
| 2.  | <br>Mr. John Tarus<br>Deputy Principal<br>Bed. Agricultural Engineering            | Born on 26 <sup>th</sup> November, 1979<br><br>Assists the Principal in the day-to-day administrative and academic activities.  |

Belgut Technical and Vocational College  
 Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

|    |  |   |
|----|--|---|
| 3. | <br>Mr. Benard Korir<br>Registrar<br>Bsc Information Technology                             | Born on 21 <sup>st</sup> December,1974<br><br>Student admissions and registration<br>Student Capitation<br>Institutional Programmed and Courses   |
| 4. | <br>Mr. Eric Chumba<br>Dean of Students<br>Bsc Information Technology                      | Born on 14 the August,1981<br>Welfare of Students<br>Sports and Recreation<br>Clubs and Societies   |
| 5. | <br>Mr. Wesley Bii – Finance Officer CPA(K)   | Born on 21 <sup>st</sup> September, 1974.<br>Financial management, accounting services and financial reporting<br>Member in procurement committees<br>Advices the principal on financial matters                            |
| 6. | <br>Ms. Mercy Kirui – Procurement officer<br>Bsc. Procurement and Supply Chain Management | Born on 1 <sup>st</sup> November,1993<br>Procurement of Goods, Works and services<br>Supply and Stores management<br>Standing secretary to procurement committees.<br>Provides professional opinion on procurement matters. |

#### **IV. CHAIRMAN'S REPORT**

The year 2021-2022 was a busy year full of several achievements and challenges. We have, however, moved on and continue to see our institution growing in population of students and staff. We have continued to improve relationships with various stakeholders and are confident we have learnt a lot that will propel us to an even greater height in the financial year 2022-2023.

#### **KEY ACTIVITIES IN THE YEAR 2021-2022**

Some of the key activities in the year 2021-2022 are as follows:

##### **Collaboration with University of Kabianga**

Belgut TVC as part of its mandate to increase collaborations signed a collaboration with University of Kabianga which is one of the biggest institution in Kericho County. Through this collaboration we have gained a lot in terms of student's enrolment, available space and reaching out to residents of Kericho County and beyond.

##### **Developed a Human Resource policy with clear staff establishment guide**

The institution has developed a detailed human resource policy and with well stream-lined staff establishment guide. This gives the current staff position that we are currently and clearly documents a roadmap of where we want to be in a near future.

##### **Hired an Administrative Secretary Accounts assistant and Technicians**

The institution through a competitive and transparent process has continued to advertise, shortlist, interview and hire qualified staff to fill vacant positions as per the staff establishment policy.

##### **Installation of 3 phase power supply**

The need for a 3 phase power supply to run the heavy machinery in Fashion & Design, Electrical engineering and Building & Civil Engineering training received the much awaited connection and we are confident the learners will get the training they deserve in the machinery that are available in the institution especially in fashion and design.

##### **Installation of firefighting equipment and staff training**

Cognizant to the fact that safety is key in any institution, the institution has carefully considered the safety of all users by strategically installing firefighting equipment including fire extinguishers and continuously training of staff and students on firefighting skills.

### **SUCCESSSES CONSOLIDATED FOR THE YEAR 2021-2022**

Some of the achievements in the year 2021-22 are as follows:

Increased student's enrolments from 306 to 692 in the previous year 2020-21. This is attributed to continued marketing, collaborations with University of Kabianga among other contributing factors.

Improved pass rate on the Kenya National Examinations from 54% to 71% in the year 2020-21. This is due to the continued staff motivational activities and support by the Management and the Board of Governors.

Acquisition of portable 200 seats and tents is another achievement for the year 2021-2022. These tents have been very useful in creating extra space for training to meet demand due to increased enrolment.

The institution has continued to enjoy good financial practices on minimized unnecessary expenses, staff training, planning among other contributing factors that have led to very good financial health of the institution as indicated in the audit report and also on the PC evaluation report.

### **CHALLENGES FOR YEAR 2021-2022**

The year 2021-2022 was faced with a challenge of incomplete projects on workshop shades for Building & Civil Engineering and Electrical Engineering training and shaking floor repair in one of the lecture halls. The projects were recommended by the Board of Governors during full board meetings but due to some reasons including financial constraints and change of the Secretary in January 2022 the projects have taken longer than expected.

### **FUTURE OUTLOOK OF BELGUT TECHNICAL AND VOCATIONAL COLLEGE.**

#### **Continuous annual improvement of student's enrollment**

In its quest to further improve enrolment, the institution will apply the following strategies: Continue marketing through road shows and visits to high schools within Kericho County to create awareness about Belgut TVC and Improve political good will and to present proposals to the Kericho County government and also National government through the area MP to provide bursaries and other funds to support needy students in the institutions. The improvement of enrollment is one of the key approach towards our strategic objective of mobilizing financial resources of the institution.

**Develop physical infrastructure in the institute**

Due to continuous annual increase in student's population, Belgut Technical and Vocational College endeavors to meet the demand for training space by continuously seeking for sponsors in the government and in the private sector for the construction of workshops, lecture halls and offices as per the strategic plan 2022-2024.

**Improving efficiency in records and data analysis**

To be able to improve efficiency in records and data analysis the institution has a plan for the year 2022-2023 and beyond. Some of the strategies to be adopted includes but not limited to: Installation of ERP system, Installation of Biometric system for login and logout by staff and students and Installation of modern state of the art CCTV that can be accessed online.

**Capacity-build the institute's human resource**

The staff welfare has been a challenge in our institution and has contributed to staff turnover. In the future we plan to consider their welfare by getting a staff van to transport them to and from town the institution every time to ease their movements from their place of residents, secondly we plan to solicit for mortgage and other development funds that can encourage the staff to invest in their housing within Kericho county for their comfort and convenience while teaching and training and last but not least we plan to encourage the staff to form unions, SACCOs and welfare groups through relevant bodies to provide information and empower them socially, economically and morally for efficiency in service.

**Promote collaboration and linkages in Training, Research and Innovation**

As part of the strategic objective, we shall continue to deliberately seek for collaborations and linkages on institutions and organizations that can work together with our institute towards helping us achieve our mission and vision. This will include those that will accept to take our students for their attachment and other trainings within the term.

**Chairman Board of Governors**

Dr. John K. Rotich

Signed.....

Date.....

## **V. REPORT OF THE PRINCIPAL**

The financial year 2021-2022 was a period of post-covid 19 era in which the focus was majorly dealing with recovery from the effects of the pandemic.

However, the students' population grew from the initial 306 in 2019 to 692 in June 2022. It also saw the staff increase from a paltry 11 to 20 in June 2022.

The growth in population of students and staff influenced the introduction for more programs and courses with increased demand for services provided by our stakeholders particularly suppliers of goods, works and services. This brought about the need for good working relationships with stakeholders and establishment of industrial linkages and collaboration.

Some of the Milestones achieved over the financial year under consideration include the following:

### **Collaboration with University of Kabianga**

In February, 2022 the institution entered into a Memorandum of understanding with the University of Kabianga with the primary purpose of providing a framework to guide partnerships and collaborations between the two institutions.

The areas of collaboration are:

- a. Business Courses and Programs.
- b. ICT Courses and Programs.
- c. Institutional Management Courses and Programs.
- d. Fashion and Design Courses and Programs.
- e. General Agriculture Courses and Programs.
- f. Home Grown Products and Services from the two Institutions.
- g. Research and Development Programs from the two Institutions.

### **Human Resource Policy Manual**

During the period of 3<sup>rd</sup> and 4<sup>th</sup> quarter of the Financial Year ending 30<sup>th</sup> June 2022, a Human Resource Policy Manual was developed to guide in the Management of employees of the institution. This has since been implemented and staff categorized in various cadre with specified job groups against reviewed remuneration and employee's recruitment process streamlined among other applicable regulations.

During the period under consideration needed trainers and non-trainers as per the staff establishment were recruited in line with the established policy.

### **Electricity Supply**

In the financial year 2021/2022, a three phase power supply was installed courtesy of Belgut NG-CDF financial support. This would go a long way in the continuous provision of power supply in the various departments to run heavy machines and equipment designed for access to practical trainings for students.

### **Health and Safety at the workplace**

During the period under consideration, a number of fire extinguishers were installed at strategic positions for firefighting purposes. The fire extinguishers comprise water type, carbon dioxide, in addition a fire assembly point was marked and students and staff were sensitized on firefighting skills.

### **ACHIEVEMENTS**

The students' enrolments Increased from 306 to 692.

Improved pass rate on the Kenya National Examinations from 54% to 71% in the year 2020-21 and Financial Year 2021/2022 respectively. This improvement was attributed to increased recruitment of qualified and competent trainers.

### **Infrastructure**

The improved physical facilities that includes but not limited to ICT equipment, furniture and Networking during the financial year was an achievement to reckon with.

### **Financial Management**

The institution has continued to enjoy good financial practices on minimized unnecessary expenses, staff training, planning among other contributing factors that have led to very good financial health of the institution as indicated in the audit report and also on the PC evaluation report. The institution had received limited resources notably from capitation of which fourth quarter were not received and challenge of decline in revenue from parents/stakeholders due to Covid-19.

### **Principal**

**Ernest Cheruiyot.**

Signed.....  Date 31/5/23.....



**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.

Belgut Technical and Vocational College has 6 strategic Pillars and objectives within current Strategic Plan for the Financial year 2021- 2022. These strategic pillars are as follows:

- i. Curriculum Implementation and students' enrollment.
- ii. Infrastructure Development.
- iii. Corporate Image.
- iv. Administration and Human Resource Management.
- v. Quality Assurance.

vi. Income Generating Activities and Resource Mobilization.

Belgut technical and vocational college develops its annual work plans based on the above 6 Strategic Pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The Belgut TVC achieved its performance targets set for the Financial year 2021/22 period for its 6 strategic pillars, as indicated in the diagram below:

| Strategic Pillar                                    | Strategy   | Objective  | Key Performance Indicators  | Activities   | Achievements  |
|---|--|--|---|--|---|
| Curriculum Implementation and students' enrollment. | -Employ enough trainers.<br>-Introduce Competency based education and training and National industrial training authority.<br>-Allocate days for | -To promote extra and co-curricular activities.<br>-To provide adequate games and sporting activity. | -Increased enrollment.<br>- a Competency based education and training and National industrial training authority Courses launched.<br>-Internal tournaments days schedule and documentation of participation. | - Enhanced Marketing.<br>-Registration of the institution as the National industrial training authority Center.<br>-Inter-departmental competitions. | -Increased enrollment.<br>-Trainees sitting for National industrial training authority exam.<br>-Sports activities at regional level and National |

|                             | internal tournaments   |  |  |   | level  |
|-----------------------------|--|--|--|---|--|
| Infrastructure Development. | <ul style="list-style-type: none"> <li>-Procure more storage tanks.</li> <li>-Procure an automatic standby generator.</li> <li>-Procure an institute bus/van</li> </ul>  | <ul style="list-style-type: none"> <li>-To ensure use of the most cost effective way in supply of water and energy.</li> <li>-To ensure that the transport needs of the institution are met.</li> <li>-To optimize the efficient use of energy.</li> </ul> | <ul style="list-style-type: none"> <li>-storage tanks installed.</li> <li>-standby generator to be procured.</li> <li>-bus/van to be purchased.</li> </ul>   | <ul style="list-style-type: none"> <li>-Elevating tanks and water harvesting.</li> <li>-Seeking for additional funds</li> <li>- Seeking for additional funds</li> </ul>   | <ul style="list-style-type: none"> <li>-Sufficient water supply/ storage.</li> <li>-Back –up power supply.</li> <li>Easy transportation.</li> </ul>                                      |
| Corporate Image.            | <ul style="list-style-type: none"> <li>-Construct more signage at strategic points.</li> <li>Advertise the institution on social media.</li> <li>Participate in Corporate social responsibility activities.</li> </ul> | <ul style="list-style-type: none"> <li>-To enhance positive public view of the institute.</li> <li>Actively promote and maintain good image of then institute.</li> </ul>  | <ul style="list-style-type: none"> <li>-signage installed on strategic sites.</li> <li>-the institutions information updated on the institutions website.</li> <li>-Production of protective masks.</li> </ul> | <ul style="list-style-type: none"> <li>-signage’s installed along the highway.</li> <li>-Creation of social media platforms for the Institution.</li> <li>-Distributions of the protective masks to the local primary schools and community.</li> </ul> | <ul style="list-style-type: none"> <li>-Enhanced accessibility and location of the institution.</li> <li>-Marketing strategy.</li> <li>-prevention of the spread of covid 19.</li> </ul> |

Belgut Technical and Vocational College  
Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

|   |  |  |  |  |   |
|---|--|--|--|--|---|
| Administration and Human Resource Management.           | <ul style="list-style-type: none"> <li>-Create welfare scheme for the employees.</li> <li>-Organize for capacity training for the staff.</li> <li>-Set up clear policies to govern the institution.</li> </ul>   | <ul style="list-style-type: none"> <li>-Ensure proper management of resources.</li> <li>-To grow the institute capacity.</li> <li>-To follow all legal requirements</li> </ul> | <ul style="list-style-type: none"> <li>-number of policies/regulations, implemented.</li> <li>-good rapport and working relation between administration and staffs.</li> <li>-departments working together to list good learning materials.</li> </ul> | <ul style="list-style-type: none"> <li>-development of HR manual.</li> <li>-Development of HRM Committee.</li> </ul>   | <ul style="list-style-type: none"> <li>- Clear way handling HR matters which include;</li> <li>i. Placement.</li> <li>ii. Deployment</li> <li>iii. Development.</li> <li>iv. Release</li> </ul> |
| Quality Assurance.                                      | <ul style="list-style-type: none"> <li>-formation of internal quality assurance committee</li> <li>-training/ sensitization of quality assurance officers.</li> <li>-conduct internal quality audits.</li> </ul> | <ul style="list-style-type: none"> <li>-To enhance quality in all aspects of the institute.</li> </ul>   | <ul style="list-style-type: none"> <li>-Internal quality assurance committee formed.</li> <li>-Quality Assurance Officers trained.</li> <li>-Internal Quality Audit conducted.</li> </ul>  | <ul style="list-style-type: none"> <li>-Internal Quality Assurance implemented.</li> </ul>   | <ul style="list-style-type: none"> <li>-Better performance of the Institute.</li> <li>-Better performance of the staff.</li> </ul>  |
| Income Generating Activities and Resource Mobilization. | <ul style="list-style-type: none"> <li>-Develop an IGA Policy.</li> <li>-Staff sensitization on IGA Policy.</li> </ul>   | <ul style="list-style-type: none"> <li>-To identify possible income generating activities the institute can take advantage of.</li> </ul>                                      | <ul style="list-style-type: none"> <li>-IGA Policy developed.</li> <li>-Staff sensitized during staff meetings.</li> </ul>   | <ul style="list-style-type: none"> <li>-Members participated in IGA activities which include;</li> <li>-computer packages training</li> <li>ii mask production.</li> </ul> | <ul style="list-style-type: none"> <li>-More revenue to the institution.</li> <li>-increased corporate image for the institute.</li> </ul>  |

## **VII. CORPORATE GOVERNANCE STATEMENT**

Belgut Technical and Vocational College is committed to good corporate governance through the leadership and management by the Board of Governors and the Management team.

The Board meets once every other quarter of financial year and all members attend full board meetings save for committee meetings.

The Board of Governors is appointed by the Government of Kenya through the Cabinet Secretary, Ministry of Education, to oversee the overall success of the Institution and its financial strength in order to discharge its mandate of offering training services. The Board of Governors serves as the ultimate decision-making body of the Institution. The Board oversees the operational activities as implemented by the management and also the performance and evaluation. Furthermore, the Board of Governors regularly reviews the infrastructural developments and corporate governance as the case may be.

## **VIII. MANAGEMENT DISCUSSION AND ANALYSIS**

### Material arrears in statutory and other financial obligations.

-Statutory deductions complied with NSSF Act 2013 and NHIF Act. All statutory deductions remitted on time to the relevant bodies.

### Major risks

-the institutions didn't receive operational grants for newly established Institution Technical and vocational college.

-Declining capitation received on time hence affecting budget for the period under review.

-Fourth quarter capitation was not received. Fees collection reduced due to declining economic activities in the year under review.

### Belgut Technical and vocational college Key Projects or Investment Decision.

-No major projects e.g. students' hostels, workshops, and motor vehicles, undertaken during the year under review as it was not budgeted for due to unforeseen revenue collection from parents, stakeholders and government. (development grants).

## **IX. ENVIRONMENTAL AND SUSTAINABILITY REPORTING STATEMENT**

The institute has already implemented Presidential Directives on tree growing exercise. So far over 2,000 trees have been planted as part of Presidential Directive and Environments Directive.

Belgut technical and vocational college exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a highlight of strategies and activities that promote the organization's strategic objectives.

### **Sustainability strategy and profile**

For the sustainability the institution focuses on market driven programs and courses that is informed by environmental industrial and global changes in terms of technology, climate change.

Focusing on Human Resource Development and Management through continuous training and motivation for retention of the best skill man-power.

Continuous resource mobilization through linkages, collaboration and partnership with stakeholders including donors, sponsors and funding organizations. In addition, aligning activities and programs to government medium term plans.

### **Environmental performance**

Environmental concerns impact on the activities of the institution and therefore the institution aligns its environmental activities with government policies and presidential directives that includes; tree growing, solid and liquid waste management practices. The institutions subscribe to the policies as outlined in the national Environmental Management Act of 1999.

The institute have already implemented Presidential directive on tree growing exercise. So far over 2,000 trees have been planted as part of presidential directive and environmental directive.

### **Employee welfare**

The institution has already developed a Human Resource Management policy that is being utilized. The policy has guided the institution on matters concerning Human Resources all the way from attracting potential employees to the point of developing employees and exiting employees from the service.

The policy also has a clear reward mechanism. Employee's grievance is also well captured on the Human Resource Policy.

### **Market place practices-**

- a) On Responsible competition practice our institution gives an equal opportunity for all, suppliers for goods, works and services through compliance and adherence to the principles outlined in the public procurement and Asset Disposal Act of 2015 and the accompanying regulation of 2020.
- b) Responsible Supply chain and supplier relations.  
The institution employs qualified and competent procurement officers and finance officers who meet the requirements of respective regulatory bodies that includes International Certified Public Accountants of Kenya (ICPAK) and Kenya Institute of Supplies Management(KISM). The Officers subscribes to Ethics and Conduct in relation to compliance and adherence to principles and stakeholder good relations.
- c) Responsible marketing and advertisement-  
-Integrity is one of the core values of the Institution. The members of the, marketing team, the institution demands that; they be honest, sincere and trustworthy in their marketing efforts and strategies to project fair and trustworthy marketing information.

- d) Product stewardship- the institution employs qualified trainers with pedagogy to assure the rights and the interest of the learners is protected against half-bake delivery of service. The Quality Assurance component assures the quality of teaching and learning in prescribed programs and courses.

Apart from the programs and courses offered the institutions co-curricular activities to ensure the development of full potential of the trainees.

### **Corporate Social Responsibility / Community Engagements**

Belgut Technical and Vocational College strategy for social responsibility includes a commitment to pursue change across the following priority areas:

- **Research with impact**

Research activities is making a positive difference to society, addressing the major challenges of the 21st century.

- **Socially responsible graduates**

Graduates have been trained in good leadership aspects and are learning to exercise ethical, social and environmental responsibility.

- **Engaging our communities**

The institute graduates carry out a Clean-up exercise through students in partnership with the County Government of Kericho and National Environment Management Authority.

#### **X. REPORT OF THE BOARD OF GOVERNORS**

The Board members submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Belgut Technical and Vocational College's affairs.

#### **Principal activities**

The principal activity of Belgut Technical and Vocational College is to offer technical and business training services.

#### **Results**

The results of Belgut Technical and Vocational College for the year ended 30<sup>th</sup> June 2022 are set out on page 1 to 40.

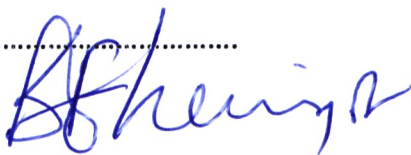
#### **Board of Governors**

The members of the Board who served during the year are shown on page Iv during the year no Board Member retired or resigned.

#### **Auditors**

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

By Order of the Board

.....  


Secretary of the Board/Council

Date: 31/5/23



#### **XI. STATEMENT OF BOARD OF GOVERNOR'S RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012 and (section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013; –

The Act require the Board Members to prepare financial statements in respect of Belgut TVC, which give a true and fair view of the state of affairs of the Institution at the end of the financial year and the operating results of the institution for that year The Board members are also required to ensure that the Institution keeps proper accounting record which disclose with reasonable accuracy the financial position of the institution. The Board members are also responsible for safeguarding the assets of the institution.

The Board members are responsible for the preparation and presentation of the institution's financial statements, which give a true and fair view of the state of affairs of the institution for and as at the end of the financial year (period) ended on June 30, 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 Belgut Technical and Vocational College, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the institution, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances. The Board members accept responsibility for the institution's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012, the State Corporations Act and the TVET Act.

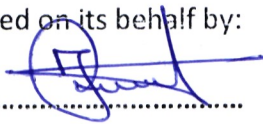
In accordance to the Public Finance and Management Act of 2012 and TVET Act of 2013, the Board members are of the opinion that the institution's financial statements give a true and fair


view of the state of institution's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the institution's financial position as at that date. The board members further confirm the completeness of the accounting records maintained for the institution's which have been relied upon in the preparation of the institution's financial statements as well as the adequacy of the systems of internal financial control.

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

#### Approval of the financial statements

The Institution's financial statements were approved by the Board on 17 September 2022 and signed on its behalf by:

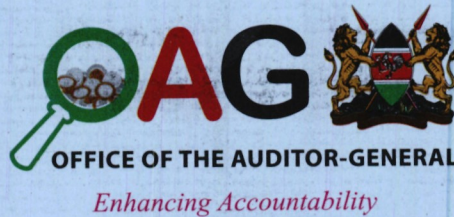
  
.....  
Name *Dr. John Rotich*  
Chairperson of the Board

  
.....  
Name *Ernest Chemist*  
Accounting Officer/Principal



# 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 BELGUT TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2022**

---

### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Belgut Technical and Vocational College set out on pages 1 to 38, 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 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 Belgut 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 Public Finance Management Act, 2012 and the Technical and Vocational Education and Training Act, 2013.

## **Basis for Qualified Opinion**

### **Land Without Ownership Documents**

The statement of financial position and Note 31 to the financial statements reflects property, plant and equipment balance of Kshs.102,912,167. Included in the balance is land measuring approximately two (2) hectares with a value of Kshs.15,000,000 whose title deed is in the name of Belgut Technical Training Institute. However, review of the registration certificate for the College revealed that, it is registered as Belgut Technical and Vocational College therefore casting doubt on the ownership of the land.

In the circumstances, the ownership of the land amounting to Kshs.15,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Belgut 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.

### **Other Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects a final expenditure budget and actual expenditure incurred on comparable basis of Kshs.32,682,000 and Kshs.26,002,333 respectively resulting to an overall budget underutilization of Kshs.6,679,667 or 20% of the budget.

In the circumstances, the under absorption of funds affected the planned activities and may have impacted negatively on service delivery to the public.

#### **2. Unresolved Prior Year Matters**

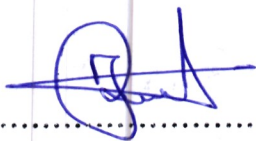
In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and

Belgut Technical and Vocational College  
 Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

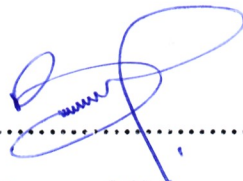
|  |    |            |            |
|--|----|------------|------------|
|  |    | 27,642,230 |            |
| <b>Total Expenses</b>                                    |    |            | 13,582,544 |
| <b>Other Gains/(Losses)</b>                              |    |            |            |
| Gain on sale of assets                                   |    | -          | -          |
| Unrealized gain on fair value of investments             | 24 | -          | -          |
| Impairment loss  | 25 | -          | -          |
| <b>Total Other Gains/(Losses)</b>                        |    | -          | -          |
| <b>Net surplus for the year</b>                          |    | 5,262,868  | 7,771,535  |
| Attributable to:   |    |            |            |
| Surplus/(deficit) attributable to minority interest      |    |            |            |
| Surplus attributable to owners of the controlling entity |    | -          | -          |
|  |    | -          | -          |

(The notes set out on pages 10 to 37 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 40 were signed by:




Chairman of Council/Board



Finance Officer

ICPAK No 26514



Principal

Date 31/5/2023

Date 31-05-2023

Date 31/5/23



XIII. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

| Description  | Notes | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|-------|-------------------|-------------------|
| <b>Revenue from Non-Exchange transactions</b>      |       |                   |                   |
| Transfers from other National Government entities  | 6     | 14,430,000        | 6,255,000         |
| Grants from donors and development partners        | 7     | -                 | -                 |
| Transfers from other levels of government          | 8     | -                 | -                 |
| Public contributions and donations                 | 9     | -                 | -                 |
| <b>Total revenue from non-exchange transaction</b> |       | <b>14,430,000</b> | <b>6,255,000</b>  |
| <b>Revenue from Exchange transactions</b>          |       |                   |                   |
|  |       | 13,319,621        |                   |
| Rendering of services- fees from students          | 10    |                   | 15,099,080        |
| Sale of goods                                      | 11    | 130,630           | -                 |
| Rental revenue from facilities and equipment       | 12    | -                 | -                 |
| Finance income                                     | 13    | -                 | -                 |
| Other income                                       | 14    | 5,024,847         | -                 |
|  |       | <b>18,475,093</b> |                   |
| <b>Total Revenue from Exchange transactions</b>    |       |                   | <b>15,099,080</b> |
| <b>Total Revenue</b>                               |       | <b>32,905,093</b> | <b>21,354,080</b> |
| <b>Expenses</b>                                    |       |                   |                   |
|  |       | 17,954,198        |                   |
| Use of goods and services                          | 15    |                   | 4,673,871         |
| Employee costs                                     | 16    | 4,833,360         | 2,084,070         |
| Board Expenses                                     | 17    | 1,005,000         | 477,000           |
|  |       | 2,972,687         |                   |
| Depreciation and amortization expense              | 18    |                   | 2,797,196         |
| Repair, maintenance and improvement                | 19    | 626,985           | 429,106           |
| Contracted services                                | 20    | 250,000           |                   |
| Grants and subsidies                               | 21    | -                 |                   |
| Finance costs                                      | 22    | -                 |                   |
| General expenses                                   | 23    | -                 | <b>3,121,302</b>  |

XIV. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

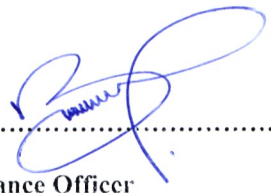
| Description   | Notes | 2021-2022          | 2020-2021          |
|---|-------|--------------------|--------------------|
|   |       | Kshs               | Kshs               |
| <b>Assets</b>   |       |                    |                    |
| <b>Current Assets</b>                                     |       |                    |                    |
| Cash and cash equivalents                                 | 26    | 12,951,229         | 6,048,464          |
| Current portion of receivables from exchange transactions | 27(a) | 12,500,617         | 9,013,930          |
| Receivables from non-exchange transactions                | 28    | 8,130,000          | 2,745,000          |
| Inventories   | 29    | 2,640,041          | 995,240            |
| Investments   | 30    | -                  | -                  |
|   |       | <b>36,221,887</b>  |                    |
| <b>Total current assets</b>                               |       |                    | <b>18,802,634</b>  |
| <b>Non-Current Assets</b>                                 |       |                    |                    |
| Long term receivables from exchange transactions          | 27(b) | 6,650              | -                  |
| Investments   | 30    | -                  | -                  |
|   |       | 102,912,167        |                    |
| Property, plant, and equipment                            | 31    |                    | 87,003,302         |
| Intangible assets   | 32    | -                  | -                  |
| Investment property                                       | 33    | -                  | -                  |
| <b>Total non-current assets</b>                           |       | <b>102,918,817</b> | <b>87,003,302</b>  |
| <b>Total Assets</b>                                       |       | <b>139,140,704</b> | <b>105,805,936</b> |
| <b>Liabilities</b>  |       |                    |                    |
| <b>Current Liabilities</b>                                |       |                    |                    |
| Trade and other payables from exchange transactions       | 34    | 100,000            | 3,040,890          |
| Refundable deposits from customers                        | 35    | -                  | -                  |
| <b>Total current liabilities</b>                          |       | <b>100,000</b>     | <b>3,040,890</b>   |
| <b>Non-Current Liabilities</b>                            |       |                    |                    |
| Borrowings  |       | -                  | -                  |
| <b>Total Liabilities</b>                                  |       | <b>100,000</b>     | <b>3,040,890</b>   |
| <b>Net Assets</b>   |       |                    |                    |
| Reserves  |       |                    |                    |
| Accumulated Surplus                                       |       | 18,239,282         | 12,976,414         |
| Capital Fund  |       | 120,801,422        | 89,768,632         |
| <b>Total reserves</b>                                     |       | <b>139,040,704</b> | <b>102,765,046</b> |
| <b>Total reserves and Liabilities</b>                     |       | <b>139,140,704</b> | <b>105,805,936</b> |

Belgut Technical and Vocational College  
Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

The Financial Statements set out on pages 1 to 40 were signed by:



Chairman of Council/Board



Finance Officer



Principal

ICPAK No 26514

Date 31/5/2023

Date 31-05-2023

Date 31/5/23



Governance. However, the Management has not resolved the issues or given any explanation for failure to adhere to the Public Sector Accounting Standards Board Guidelines.

## 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. Late Submission of Financial Statements**

The annual report and financial statements of the College for the year ended 30 June, 2022 were submitted on 21 March, 2023, almost six months after the expiry of the statutory deadline of 30 September, 2022. This is contrary to Section 47 (1) of the Public Audit Act, 2015, which requires that financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

#### **2. Irregular Procurement of Valuation Services**

During the year under review, the College Management awarded a contract for valuation of its assets at a cost of Kshs.650,000. Review of procurement records revealed that the quotations were filled and stamped on 2 December, 2021 by all the three bidders yet evaluation had been done on 1 December, 2021. Therefore, the regularity of the procurement process could not be confirmed.

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

#### **3. Composition of the Board of Directors**

Review of records relating to the Board of Governors of the College revealed that eight (8) directors were appointed in 2020. However, the Board does not have a representative from the County Governor of Kericho as required in Section 28 and the Second Schedule of the Technical and Vocational Education Act, 2013 on composition of the Board of Governors part 1(1) and 1(2) (c).

In the circumstances, the Board of Directors of the College composition was not in accordance with the law.

#### **4. Non-Compliance with the Law on Ethnic Composition**

Review of College's staff records revealed that out of sixty-seven (67) employees of, sixty-four (64) or 96% were from the dominant ethnic community in the County. This was contrary to provisions of Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which provides that no public institution shall have more than one third of its establishment from the same ethnic group.

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

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters 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**

#### **1. Lack of Internal Audit Function**

During the year under review, the College did not have an internal audit function as required by Section 73(1) of the Public Finance Management Act, 2012 which provides that every national Government entity to ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the effectiveness of the overall governance systems internal controls could not be confirmed.

#### **2. Lack of IT Controls and Weak Internal Controls**

During the year under review, the College did not have an Information Technology (IT) strategic committee, security policy, disaster recovery plan and a policy which regulates physical access to IT environments. Therefore, there were no defined processes and guidelines on how to mitigate IT risks that may occur at the College. Further, the Management had not established a risk management policy to identify, mitigate and control operational and other risks that the College may face from time to time to support achievement of corporate objectives, protect staff and business assets and ensure financial stability.

In the circumstances, the effectiveness of IT internal controls, risk management and governance systems could not be confirmed.

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

## **Responsibilities of Management and 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the College's ability 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 to cease operations.

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

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

Those charged with governance are responsible for overseeing the College's financial reporting process, reviewing the effectiveness of how 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 overall 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

effectiveness of internal controls, risk management and 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 controls would not necessarily disclose all matters in the internal controls 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 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 controls.
- 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 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 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

18 July, 2023

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

| Description  | Revaluation reserve | Fair value adjustment reserve | Retained earnings | Capital/Development Grants/Fund | Total              |
|--|---------------------|-------------------------------|-------------------|---------------------------------|--------------------|
| <b>At July 1, 2020</b>   | <b>2,083,576</b>    |                               |                   | <b>83,020,199</b>               | <b>85,103,775</b>  |
| Revaluation gain   | -                   |                               |                   |                                 |                    |
| Fair value adjustment on quoted investments                                  | -                   |                               |                   |                                 |                    |
| Total comprehensive income/surplus/deficit                                   | 10,892,838          |                               |                   |                                 | 10,892,838         |
| Capital/development grants received during the year                          |                     |                               |                   |                                 |                    |
| Transfer of depreciation/amortisation from capital fund to Retained earnings |                     |                               |                   |                                 |                    |
| Prior year adjustment  |                     |                               |                   | 6,768,433                       | 6,768,433          |
| <b>At June 30, 2021</b>  | <b>12,976,414</b>   |                               |                   | <b>89,788,632</b>               | <b>102,765,046</b> |
| <b>At July 1, 2021</b>   | <b>12,976,414</b>   |                               |                   | <b>89,788,632</b>               | <b>102,765,046</b> |
| Revaluation gain   |                     |                               |                   |                                 | -                  |
| Fair value adjustment on quoted investments                                  |                     |                               |                   |                                 |                    |
| Total comprehensive income/surplus for the year                              | <b>5,262,868</b>    |                               |                   |                                 | <b>5,262,868</b>   |
| Capital/development grants received during the year                          |                     |                               |                   |                                 |                    |
| Transfer of depreciation/amortisation from capital fund to Retained earnings |                     |                               |                   |                                 |                    |
| Prior year adjustment  |                     |                               |                   | 31,012,790                      | 31,012,790         |
| <b>At June 30, 2022</b>  | <b>18,239,282</b>   |                               |                   | <b>120,801,422</b>              | <b>139,040,704</b> |

**(Note:**

*For items that are not common in the financial statements, the Belgut technical and vocational college should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*

Belgut Technical & Vocational College

Annual Report and Financial Statements for the year ended 30th June 2022

XVI. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

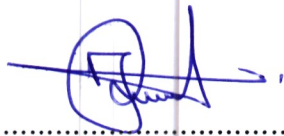
| Description   | Note | 2021-2022  | 2020-2021         |
|---|------|------------|-------------------|
|   |      | Kshs       | Kshs              |
| <b>Cash flows from operating activities</b>           |      |            |                   |
| <b>Receipts</b>                                       |      |            |                   |
| Transfers from other government entities/govt. Grants | 6    | 14,430,000 | 6,255,000         |
| Public contributions and donations                    | 9    | -          |                   |
|   |      | 13,319,621 |                   |
| Rendering of services- fees from students             | 10   |            | 7,445,581         |
| Sale of goods   | 11   | 130,630    | 450,500           |
| Rental revenue from facilities and equipment          | 12   | -          |                   |
| Finance income  | 13   | -          |                   |
|   |      | 5,024,847  |                   |
| Other income  | 14   |            |                   |
|   |      | 32,905,098 |                   |
| <b>Total Receipts</b>                                 |      |            | <b>14,151,081</b> |
| <b>Payments</b>                                       |      |            |                   |
| Compensation of employees                             | 16   | 4,833,360  | 2,084,070         |
| Repair, maintenance and improvement                   | 19   | 626,985    |                   |
| Board allowances                                      | 17   | 1,005,000  | 477,000           |
|   |      | 17,954,198 |                   |
| Use of goods and services                             | 15   |            | 4,673,871         |
| Finance cost  | 22   | -          |                   |
| Contracted services                                   | 20   | 250,000    |                   |
| Rent paid   |      | -          |                   |
| Taxation paid   |      | -          |                   |
| Other payments  |      | 1,332,790  | 2,091,809         |

Belgut Technical and Vocational College  
Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

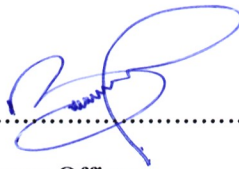
|  |    |                   |                  |
|--|----|-------------------|------------------|
| Grants and subsidies paid                                    |    | -                 |                  |
|  |    | 26,002,333        |                  |
| <b>Total Payments</b>  |    |                   | <b>9,326,750</b> |
| <b>Net Cash Flows from operating activities</b>              | 37 | 6,902,765         | <b>4,824,331</b> |
| <b>Cash flows from investing activities</b>                  |    | -                 |                  |
| Purchase of property, plant, equipment and intangible assets | 31 | -                 | 201,000          |
| Proceeds from sale of property, plant and equipment          | 31 | -                 | -                |
| <b>Net cash flows used in investing activities</b>           |    | -                 | -                |
| <b>Cash flows from financing activities</b>                  |    | --                |                  |
| Proceeds From Borrowing                                      |    | -                 | -                |
| Repayment Of Borrowings                                      |    | -                 | -                |
| Deposits receipts  |    | -                 | -                |
| <b>Net cash flows used in financing activities</b>           |    | -                 | -                |
| <b>Net Increase/(Decrease) in Cash and Cash equivalents</b>  |    | 6,902,765         | 4,623,331        |
| Cash and Cash equivalents at 1 JULY                          | 26 | 6,048,464         | 1,425,133        |
| <b>Cash and Cash equivalents at 30 JUNE</b>                  | 26 | <b>12,951,229</b> | 6,048,464        |

((IPSAS 2 allows Belgut TVC to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation).

The Financial Statements set out on pages 1 to 40 were signed by:



Chairman of Council/Board



Finance Officer

ICPAK No 26514



Principal

Date

31/5/2023

Date



Date

31/5/23



XVII. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOU YEAR ENDED 30 JUNE 2022

| Description  | Original budget   |           | Adjustments |                   | Final budget |           | Actual on comparable basis |                | Performance difference |           | Utilization Difference |           |
|--|-------------------|-----------|-------------|-------------------|--------------|-----------|----------------------------|----------------|------------------------|-----------|------------------------|-----------|
|  | 2021-2022         | 2021-2022 | 2021-2022   | 2021-2022         | 2021-2022    | 2021-2022 | 2021-2022                  | 2021-2022      | 2021-2022              | 2021-2022 | 2021-2022              | 2021-2022 |
|  | Kshs              | Kshs      | Kshs        | Kshs              | Kshs         | Kshs      | Kshs                       | Kshs           | Kshs                   | Kshs      | Kshs                   | %         |
| <b>Revenue</b>                                       |                   |           |             |                   |              |           |                            |                |                        |           |                        |           |
| Transfers from other gov't entities and gov't grants | 15,000,000        | -         | -           | 15,000,000        | -            | -         | 14,430,000                 | (570,000)      | -4                     |           |                        |           |
| Public contributions and donations                   | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| Rendering of services- fees from students            | 17,182,000        | -         | -           | 17,182,000        | -            | -         | 13,319,621                 | (3,862,379)    | -29                    |           |                        |           |
| Sale of goods  | 500,000           | -         | -           | 500,000           | -            | -         | 130,630                    | (369,370)      | -283                   |           |                        |           |
| Finance income                                       | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| Other income   | -                 | -         | -           | -                 | -            | -         | 5,024,847                  | 5,024,847      | -                      |           |                        |           |
| Gains on disposal, rental income and agency fees     | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| <b>Total Income</b>                                  | <b>32,682,000</b> | <b>-</b>  | <b>-</b>    | <b>32,682,000</b> | <b>-</b>     | <b>-</b>  | <b>32,905,098</b>          | <b>223,098</b> | <b>-1</b>              |           |                        |           |
| <b>Expenses</b>                                      |                   |           |             |                   |              |           |                            |                |                        |           |                        |           |
| Compensation of employees                            | 4,600,000         | -         | -           | 4,600,000         | -            | -         | 4,833,360                  | (233,360)      | -4                     |           |                        |           |
| Use of goods and services                            | 24,817,000        | -         | -           | 24,817,000        | -            | -         | 17,954,198                 | 6,862,802      | 38                     |           |                        |           |
| Finance costs  | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| Rent paid  | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| Remuneration of directors                            | 1,050,000         | -         | -           | 1,050,000         | -            | -         | 1,005,000                  | 45,000         | 4                      |           |                        |           |
| Repair, improvement & maintenance                    | 2,215,000         | -         | -           | 2,215,000         | -            | -         | 626,985                    | 1,588,015      | 253                    |           |                        |           |
| Grants and subsidies paid                            | -                 | -         | -           | -                 | -            | -         | -                          | -              | -                      |           |                        |           |
| Contracted services                                  | -                 | -         | -           | -                 | -            | -         | 250,000                    | (250,000)      | 100                    |           |                        |           |

Beigui Technical and Vocational College  
Annual Report and Financial statements for the year ended 30<sup>th</sup> June 2022

|                                       |            |   |                  |                  |               |
|---------------------------------------|------------|---|------------------|------------------|---------------|
| Other payments                        |            |   | 1,332,790        | (1,332,790)      |               |
|                                       | 32,682,000 |   | 26,002,333       | 6,679,667        |               |
| <b>Total Expenditure</b>              |            |   |                  |                  | <b>33.84%</b> |
| <b>Surplus/Deficit For the Period</b> | -          | - | <b>6,902,765</b> | <b>6,902,765</b> |               |

(Budget notes)

- (a) movement in revenue from rendering of service is due to increased students' enrolment after Covid 19 pandemic
- (b) movement in revenue from sale of goods due to delayed in policy implementation and Covid 19 pandemic
- (c) Movement in used of goods is due to late disbursement of fund and subsequent failure in quarter four disbursement.
- (d) Movement in RMI is due to late receipt of fund.

**XVIII. NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

Belgut TVC is established by and derives its authority and accountability from TVET Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. Belgut Technical and Vocational College principal activity is training of manpower for industrialization.

**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 Belgut Technical and Vocational College's accounting policies. No areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements.

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

**3. Adoption of New and Revised Standards**

**i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2022.**

IPSASB deferred the application date of standards from 1st January 2022 owing to covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.**

| Standard  | Effective date and impact:   |
|---|--|
| <p><b>IPSAS 41:</b><br/>Financial Instruments</p> | <p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>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.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> </ul> |

| Standard  | Effective date and impact:  |
|---|---|
|   | <ul style="list-style-type: none"> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul>  |
| <p><b>IPSAS 42:</b><br/>Social Benefits</p>                                     | <p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>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> <p>(a) The nature of such social benefits provided by the Entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</p>   |
| <p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p> | <p><b>Applicable: 1st January 2023:</b></p> <p>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.</p> <p>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</p> <p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> |
| <p>Other improvements to IPSAS</p>  | <p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no</p>  |

| Standard   | Effective date and impact:  |
|--|---|
|  | <p>longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b> Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023</li> </ul>   |
| IPSAS 43   | <p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of Belgut Technical and Vocational College.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> |
| IPSAS 44:<br>Non- Current<br>Assets Held<br>for Sale and<br>Discontinued<br>Operations | <p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>  |

**iii. Early adoption of standards**

Belgut Technical and Vocational College did not early-adopt any new or amended standards in year 2022.

**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 Belgut Technical and Vocational College.

**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.

**ii) Revenue from exchange transactions**

**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 financial year 2021/2022 was approved by the Board on **2<sup>nd</sup> September, 2021**. No 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. Accordingly, the entity recorded additional appropriations of **NIL** on the financial year 2021/2022 budget following the Council/ Board's approval.

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

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

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

**c) Taxes**

**Current income tax**

Belgut Technical and Vocational College is exempt from paying 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.

**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 *nil* 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. The following depreciation rates are applicable to the institution land and buildings - 2%; Furniture and Fittings – 13%; Computers and accessories – 25% and plant and equipment – 10%.

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.

**f) Leases.**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Belgut Technical and Vocational 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. Belgut Technical and Vocational 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 Belgut 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. Operating lease payments are recognized as an operating expense in surplus or deficit of Belgut Technical and Vocational College 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**

Belgut Technical and Vocational College expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when Belgut Technical and Vocational 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.

**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. Belgat TVC determines the classification of its financial assets at initial recognition.

***Loans and receivables***

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

***Held-to-maturity***

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

***Impairment of financial assets***

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

**i) Financial instruments (Continued)**

- The debtors or an 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.

**j) Inventories**

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

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

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

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

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.

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

---

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

**k) 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 Belgut Technical and Vocational 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.***

Belgut Technical and Vocational 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.***

Belgut Technical and Vocational 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 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.

**l) Nature and purpose of reserves**

Belgut Technical and Vocational College did not create and maintain reserves in terms of specific requirements.

**m) Changes in accounting policies and estimates.**

Belgut Technical and Vocational 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.

**n) Employee benefits**

**Retirement benefit plans**

Belgut Technical and Vocational College provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which Belgut Technical and Vocational College 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.

**o) 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.

**p) 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.

**q) Related parties**

Belgut Technical and Vocational 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 Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

**r) Service concession arrangements**

Belgut Technical and Vocational 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 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.

**s) 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.

**t) Comparative figures**

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

**u) 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 Belgut Technical and Vocational 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. Belgut Technical and Vocational 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 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 Belgut Technical and Vocational 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**

No Provisions were raised and management determined an estimate based on the information available. No Additional disclosure of these estimates of provisions is included in Note.

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

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 (Continued)**

**6. Transfers from other National Government entities**

| Description                                  | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|-------------------|-------------------|
| <b>Unconditional Grants</b>                  |                   |                   |
| Capitation Grants 752 students x ksh 30,000  | 22,560,000        | 9,000,000         |
| Operational Grant:                           | -                 | -                 |
| Total government grants & subsidies          | 22,560,000        | 9,000,000         |
| Less amount received                         | 14,430,000        | 6,255,000         |
| Balance                                      | 8,130,000         | 2,745,000         |
| Other Grants                                 | -                 | -                 |
| <b>Conditional Grants</b>                    | -                 | -                 |
| Library Grant                                | -                 | -                 |
| Hostels Grant                                | -                 | -                 |
| Administration Block Grant                   | -                 | -                 |
| Laboratory Grant                             | -                 | -                 |
| Learning Facilities Grant                    | -                 | -                 |
| Other Organizational Grants                  | -                 | -                 |
| <b>Total Government Grants and Subsidies</b> | <b>14,430,000</b> | <b>6,255,000</b>  |

**(a) Transfers from other Government entities (ministry of education)**

| Name Of The Entity Sending The Grant         | Amount recognized to Statement of Comprehensive Income<br>Kshs | Amount deferred under deferred income<br>Kshs | Amount recognised in capital fund.<br>Kshs | Total grant income during the year<br>Kshs | 2020-2021<br>Kshs |
|--|--|---|--|--|-------------------|
| Technical and vocational training Department | -  | -   | -  | -  | -                 |
| Ministry of Education                        | 14,430,000   | -   | -  | 14,430,000                                 | 6,255,000         |
| <b>Total</b>                                 | <b>14,430,000</b>  | <b>-</b>                                      | <b>-</b>                                   | <b>14,430,000</b>                          | <b>6,255,000</b>  |

**Beirut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

*(Ensure that the amount recorded above as having been received from the Ministry fully reconciles to the amount recorded by the sending Ministry. An acknowledgement note/receipt should be raised in favour of the sending Ministry. The details of the reconciliation have been included under Appendix II)*

**7. Grants from Donors and Development Partners**

| Description                                   | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---|-------------------|-------------------|
| JICA- Research Grant                          | -                 | -                 |
| World Bank Grants                             | -                 | -                 |
| In-Kind Donations                             | -                 | -                 |
| Other Grants                                  | -                 | -                 |
| <b>Total Grants from Development Partners</b> | -                 | -                 |

**Reconciliations of grants from donors and development partners**

| Description  | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|-------------------|-------------------|
| Balance unspent at beginning of year                 | -                 | -                 |
| Current year receipts                                | -                 | -                 |
| Conditions Met - Transferred to Revenue              | -                 | -                 |
| <b>Conditions Yet To Be Met - Remain Liabilities</b> | -                 | -                 |

**8. Transfers from Other Levels of Government**

| Description                 | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|-----------------------------|-------------------|-------------------|
|                             | -                 | -                 |
| Transfer from County XX     | -                 | -                 |
| Transfer from XX University | -                 | -                 |
| Transfer from XX Institute  | -                 | -                 |
| <b>Total Transfers</b>      | -                 | -                 |

**9. Public Contributions and Donations**

| Description                           | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---------------------------------------|-------------------|-------------------|
| Public Donations                      | -                 | -                 |
| Donations from Local Leadership       | -                 | -                 |
| Donations from Religious Institutions | -                 | -                 |
| Donations from Alumni                 | -                 | -                 |
| Other Donations                       | -                 | -                 |

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

|  |   |   |
|--|---|---|
| <b>Total Donations and Contributions</b> | - | - |
|--|---|---|

**10. Rendering of services**

| <b>Description</b>                                  | <b>2021-2022</b>  | <b>2020-2021</b>  |
|---|-------------------|-------------------|
|   | <b>Kshs</b>       | <b>Kshs</b>       |
| Tuition Fees  | 1,740,240         | 6,085,150         |
| Student debtors                                     | -                 | 9,013,930         |
| Activity Fees                                       | 982,313           | -                 |
| Personal emolument                                  | 868,276           | -                 |
| Electricity, water and conservancy                  | 349,360           | -                 |
| Repair, maintenance and improvement                 | 1773664           | -                 |
| Local, transport and travel                         | 2,279,209         | -                 |
| Internet and computers                              | 161,070           | -                 |
| Industrial Attachment Fees                          | 563,117           | -                 |
| Registration Fees                                   | 307695            | -                 |
| Medical   | 337,938           | -                 |
| Administration cost                                 | 2,029,093         | -                 |
| Development/infrastructure                          | 1,004,974         | -                 |
| Insurance   | 660,042           | -                 |
| Student council                                     | 262,630           | -                 |
| <b>Total Revenue from the Rendering Of Services</b> | <b>13,319,621</b> | <b>15,099,080</b> |

*These are revenue realised from provision of training service as per approved fees structure*

**11. Sale of Goods**

| <b>Description</b>   | <b>2021-2022</b> | <b>2020-2021</b> |
|----------------------|------------------|------------------|
|                      | <b>Kshs</b>      | <b>Kshs</b>      |
| Sale of Books        |                  |                  |
| Sale of Publications |                  |                  |

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

|   |                |   |
|---|----------------|---|
| Sale of Farm Produce                    |                |   |
| Cafeteria sales                         |                |   |
| Sale of production materials            | 130,630        | - |
| <b>Total Revenue from Sale of Goods</b> | <b>130,630</b> |   |

*This is the revenue received from sales of production materials: dust coats and aprons*

**12. Rental revenue from facilities and equipment**

| Description                      | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|----------------------------------|-------------------|-------------------|
| Hire of Facilities and Equipment | -                 | -                 |
| Contingent Rental                | -                 | -                 |
| Operating Lease Revenue          | -                 | -                 |
| <b>Total</b>                     | <b>-</b>          | <b>-</b>          |

**13. Finance Income**

| Description                         | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|-------------------------------------|-------------------|-------------------|
| Cash investments and fixed deposits | -                 | -                 |
| Interest income from treasury bills | -                 | -                 |
| Interest income from treasury bonds | -                 | -                 |
| Interest from outstanding debtors   | -                 | -                 |
| <b>Total finance income</b>         | <b>-</b>          | <b>-</b>          |

**14. Other Income**

| Description                | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|----------------------------|-------------------|-------------------|
| Insurance recoveries       | -                 | -                 |
| Consultancy fees           | -                 | -                 |
| Income from sale of tender | -                 | -                 |
| Services concession income | -                 | -                 |
| Reimbursements and refunds | -                 | -                 |
| Graduation fees            | -                 | -                 |
| Practical food             | 135,230           | -                 |
| Tender                     | 24,000            | -                 |
| Placement                  | 774,670           | -                 |
| ID                         | 289,920           | -                 |
| KNEC Examination           | 3,80,1027         | -                 |
| <b>Total other income</b>  | <b>5,024,847</b>  | <b>-</b>          |

*(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified).*

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**15. Use of Goods and Services**

| Description                        | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|------------------------------------|-------------------|-------------------|
| Tuition                            | 7,665,555         | 3,014,543         |
| Electricity ,water and conservancy | 142,135           | 802,808           |
| Internet                           | 344,251           | -                 |
| Local transport and travel         | 1,879,020         | -                 |
| Student council                    | 180,220           | -                 |
| Activity                           | 1,468,018         | -                 |
| Administration cost                | 1,952,658         | -                 |
| Medical                            | 12,440            | --                |
| Registration                       | 56,000            | -                 |
| Insurance                          | 112,931           | -                 |
| Attachment                         | 146,400           | -                 |
| Development infrastructure         | 54,620            | -                 |
| Placement                          | 48,000            | -                 |
| Production                         | 315,855           | -                 |
| Identity card                      | 136,550           | -                 |
| KNEC exams                         | 3,333,980         | 856,520           |
| Bank charges                       | -                 | -                 |
| Tender                             | 27,970            | -                 |
| Practical food                     | 77,595            | -                 |
| Total use of goods and service     | <b>17,954,198</b> | <b>4,673,871</b>  |

**16. Employee Costs**

| Description   | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---|-------------------|-------------------|
| Salaries and wages  | 4,624,370         | 2,084,070         |
| Employee related costs - contributions to pensions and medical aids | 208,990           | -                 |
| Travel, motor car, accommodation,                                   | -                 | -                 |

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

|   |                  |                  |
|---|------------------|------------------|
| subsistence and other allowances        |                  |                  |
| Housing benefits and allowances/medical |                  | -                |
| Overtime payments                       |                  | -                |
| Performance and other bonuses           |                  | -                |
| Social contributions                    |                  | -                |
| <b>Employee Costs</b>                   | <b>4,833,360</b> | <b>2,084,070</b> |

17. Board/Council Expenses

| Description                  | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|------------------------------|-------------------|-------------------|
| Chairman's Honoraria         | 192,000           | 66,000            |
| Directors/bog Emoluments     | 813,000           | 411,000           |
| Other Allowances             | -                 | -                 |
| Other Board/Council Expenses | -                 | -                 |
| <b>Total</b>                 | <b>1,005,000</b>  | <b>477,000</b>    |

18. Depreciation and Amortization expense

| Description                                | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|-------------------|-------------------|
|  | 2,972,687         |                   |
| Property, plant and equipment              |                   | 2,797,196         |
| Intangible assets                          |                   |                   |
| Investment property carried at cost        |                   |                   |
| <b>Total depreciation and amortization</b> | <b>2,972,687</b>  | <b>2,797,196</b>  |

19. Repairs and Maintenance

| Description                           | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---------------------------------------|-------------------|-------------------|
| Property                              | 626,985           | 429,106           |
| Investment property – earning rentals | -                 | -                 |
| Equipment and machinery               | -                 | -                 |
| Vehicles                              | -                 | -                 |
| Furniture and fittings                | -                 | -                 |
| Computers and accessories             | -                 | -                 |
| <b>Total Repairs and Maintenance</b>  | <b>626,985</b>    | <b>429,106</b>    |

20. Contracted Services

| Description                      | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|----------------------------------|-------------------|-------------------|
| Actuarial valuations             | -                 | -                 |
| Investment valuations            | -                 | -                 |
| Property valuations              | 250,000           | -                 |
| <b>Total contracted services</b> | <b>250,000</b>    | <b>-</b>          |

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**21.Grants and Subsidies**

| Description                        | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|------------------------------------|-------------------|-------------------|
| Community Development              | -                 | -                 |
| Education Initiatives and Programs | -                 | -                 |
| Social Development                 | -                 | -                 |
| Community Trust                    | -                 | -                 |
| Sporting Bodies                    | -                 | -                 |
| <b>Total Grants and Subsidies</b>  | -                 | -                 |

**22.Finance Costs**

| Description                             | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---|-------------------|-------------------|
| Borrowings (Amortized Cost)*            | -                 | -                 |
| Finance Leases (Amortized Cost)         | -                 | -                 |
| Unwinding of Discount                   | -                 | -                 |
| Interest on Bank Overdrafts             | -                 | -                 |
| Interest on Loans from Commercial Banks | -                 | -                 |
| <b>Total Finance Costs</b>              | -                 | -                 |

**23. General Expenses**

| Description                           | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---------------------------------------|-------------------|-------------------|
| Registration expense                  | -                 | -                 |
| Computer packages expenses            | -                 | 96,638            |
| Identity card                         | -                 | 8,500             |
| Contingencies expenses/administrative | -                 | 966,377           |
| Salary advance                        | -                 | 21,000            |
| Activity expenses                     | -                 | 91,120            |
| Bank charges                          | -                 | 3,612             |
| Student council                       | -                 | 1,050             |
| Attachment                            | -                 | 84,580            |
| Production                            | -                 | 516,225           |
| Bursaries                             | -                 | 269,000           |
| HELB                                  | -                 | 1,008,200         |
| Debtors                               | -                 | 55,000            |
| <b>TOTAL</b>                          | -                 | <b>3,121,302</b>  |

**24. Unrealized Gain on Fair Value Investments**

| Description | 2021-2022 | 2020-2021 |
|-------------|-----------|-----------|
|-------------|-----------|-----------|

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

|                           | Kshs | Kshs |
|---------------------------|------|------|
| Investments at Fair Value | -    | -    |
| <b>Total Gain</b>         | -    | -    |

**25. Impairment Loss**

| Description                   | 2021-2022 | 2020-2021 |
|-------------------------------|-----------|-----------|
|                               | Kshs      | Kshs      |
| Property, Plant and Equipment | -         | -         |
| Intangible Assets             | -         | -         |
| <b>Total Impairment Loss</b>  | -         | -         |

**26. Cash and Cash Equivalents**

| Description                            | 2021-2022         | 2020-2021        |
|--|-------------------|------------------|
|  | Kshs              | Kshs             |
| Current Account-1257399845             | 12,940,254        | 6,036,665        |
| Current Account- 1290546444            | 9809              |                  |
| On - Call Deposits                     | -                 | -                |
| Fixed Deposits Account                 | -                 | -                |
| Staff Car Loan/ Mortgage               | -                 | -                |
| Others (Specify)-cash in hand          | 1,166             | 11,799           |
| <b>Total Cash and Cash Equivalents</b> | <b>12,951,229</b> | <b>6,048,464</b> |

**26 (a). Detailed Analysis of Cash and Cash equivalents**

| Financial Institution  | Account number | 2021-2022         | 2020-2021        |
|--|----------------|-------------------|------------------|
|  |                | Kshs              | Kshs             |
| <b>a) Current Account</b>                                      |                |                   |                  |
| Kenya Commercial Bank- Belgut technical -opp a/c               | 1257399845     | 12,940,254        | 6,036,665        |
| Kenya commercial bank-.Belgut technical and vocational college | 1290546444     | 9,809             | -                |
| <b>Sub- Total</b>  |                | <b>12,950,063</b> | <b>6,036,665</b> |
| <b>b) On - Call Deposits</b>                                   |                |                   |                  |
| <b>Sub- Total</b>  |                | -                 | -                |
| <b>c) Fixed Deposits Account</b>                               |                |                   |                  |
| <b>Sub- Total</b>  |                | -                 | -                |
| <b>d) Staff Car Loan/ Mortgage</b>                             |                |                   |                  |
| <b>Sub- Total</b>  |                | -                 | -                |
| <b>e) Others(Specify)</b>                                      |                |                   |                  |
| Cash in Transit  |                | -                 | -                |

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

|                      |  |                   |                  |
|----------------------|--|-------------------|------------------|
| Cash in Hand         |  | 1,166             | 11,799           |
| Mobile Money account |  | -                 |                  |
| <b>Sub- Total</b>    |  | <b>1,166</b>      | <b>11,799</b>    |
| <b>Grand Total</b>   |  | <b>12,951,229</b> | <b>6,048,464</b> |

**27. Receivables from Exchange transactions**

**27(a) Current Receivables from Exchange transactions**

| Description                      | 2021-2022         | 2020-2021        |
|----------------------------------|-------------------|------------------|
|                                  | Kshs              | Kshs             |
| <b>Current Receivables</b>       |                   |                  |
| Student Debtors                  | 12,500,617        | 9,013,930        |
| Rent Debtors                     | -                 | -                |
| Consultancy Debtors              | -                 | -                |
| Other Exchange Debtors           | -                 | -                |
| Less: Impairment Allowance       | -                 | -                |
| <b>Total Current Receivables</b> | <b>12,500,617</b> | <b>9,013,930</b> |

**27(b) Long- term Receivables from Exchange transactions**

| Description  | 2021-2022    | 2020-2021 |
|--|--------------|-----------|
|  | Kshs         | Kshs      |
| <b>Non-Current Receivables</b>                     | -            | -         |
| Refundable Deposits                                | -            | -         |
| Advance Payments.                                  | 6,650        | -         |
| Public Organizations                               | -            | -         |
| Less: Impairment Allowance                         | -            | -         |
| <b>Total</b>                                       | <b>6,650</b> | <b>-</b>  |
| Current Portion Transferred To Current Receivables |              | -         |
| <b>Total Non-Current Receivables</b>               | <b>-</b>     | <b>-</b>  |
| <b>Total Receivables</b>                           | <b>6,650</b> | <b>-</b>  |

**28. Receivables from Non-Exchange transactions**

| Description   | 2021-2022        | 2020-2021        |
|---|------------------|------------------|
|   | Kshs             | Kshs             |
| <b>Current Receivables</b>  |                  |                  |
| Capitation Grants*-752 student's X ksh 30,000 =ksh22,560,000 less Amount received amount ksh 14,430,000 | 8,130,000        | 2,745,000        |
| Transfers from Other Govt. entities   | -                |                  |
| Undisbursed Donor Funds   | -                |                  |
| Other Debtors (Non-Exchange Transactions)   | -                |                  |
| Less: Impairment Allowance  | -                |                  |
| <b>Total Current Receivables</b>  | <b>8,130,000</b> | <b>2,745,000</b> |

Belgirt Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

(\*Receivables on capitation grants are recognised for monies received after year end but relating to the year under review).

29. Inventories

| Description  | 2021-2022        | 2020-2021      |
|--|------------------|----------------|
|  | Kshs             | Kshs           |
| Consumable stores  | 372,390          | 49,750         |
| Maintenance stores   | -                | -              |
| Building & plumbing store  | 668,791          | -              |
| Electrical stores  | 1,027,345        | 849,790        |
| Cleaning Materials stores  | -                | -              |
| Catering stores  | 571,515          | 95,700         |
| <b>Total Inventories at lower of Cost and Net Realizable Value</b> | <b>2,640,041</b> | <b>995,240</b> |

30. Investments

| Description                                      | 2021-2022 | 2020-2021 |
|--|-----------|-----------|
|  | Kshs      | Kshs      |
| a) Investment in Treasury Bills and Bonds        | -         | -         |
| Sub- Total                                       | -         | -         |
| b) Investment with Financial Institutions/ Banks | -         | -         |
| Sub- Total                                       | -         | -         |
| c) Equity Investments ( <i>Specify</i> )         | -         | -         |
| Sub- Total                                       | -         | -         |
| <b>Grand Total</b>                               | <b>-</b>  | <b>-</b>  |

d) Shareholding in other entities

For investments in equity share listed under note 30 (c) above, list down the equity investments under the following categories:

| Name of Entity where Investment is Held | No of Shares        |                       |                        | Nominal Value of Shares | Fair Value of Shares | Fair Value of Shares |
|---|---------------------|-----------------------|------------------------|-------------------------|----------------------|----------------------|
|   | Direct Shareholding | Indirect Shareholding | Effective Shareholding |                         |                      |                      |
|   | %                   | %                     | %                      | Kshs                    | Current Year         | Prior Year           |
| Entity A                                | -                   | -                     | -                      | -                       | -                    | -                    |
| Entity B                                | -                   | -                     | -                      | -                       | -                    | -                    |
|   | -                   | -                     | -                      | -                       | -                    | -                    |

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

31. Property, Plant and Equipment.

| Cost                                | Land              | Buildings and site works | Motor vehicles | Furniture and fittings | Computer         | Other Assets (Specify) | Plant and equipment | Capital Work in progress | Total              |
|-------------------------------------|-------------------|--------------------------|----------------|------------------------|------------------|------------------------|---------------------|--------------------------|--------------------|
|                                     | Kshs              | Kshs                     | Kshs           | Kshs                   | Kshs             | Kshs                   | Kshs                | Kshs                     | Kshs               |
| At 1 July 2020                      | 15,000,000        | 58,819,135               | -              | 2,917,500              | 1,395,000        | -                      | 11,941,000          | -                        | 90,072,635         |
| Additions                           | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| Disposals                           | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| Transfers/Adjustments               | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| <b>At 30<sup>th</sup> June 2021</b> | <b>15,000,000</b> | <b>58,819,135</b>        | <b>-</b>       | <b>2,917,500</b>       | <b>1,395,000</b> | <b>-</b>               | <b>11,941,000</b>   | <b>-</b>                 | <b>90,072,635</b>  |
| Additions                           | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| Disposals                           | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| Transfer/Adjustments                | -                 | 24,280,865               | -              | 787,550                | (452,800)        | -                      | (6,006,200)         | -                        | 18,682,050         |
| <b>At 30<sup>th</sup> June 2022</b> | <b>15,000,000</b> | <b>83,100,000</b>        | <b>-</b>       | <b>3,705,050</b>       | <b>942,200</b>   | <b>-</b>               | <b>5,934,800</b>    | <b>-</b>                 | <b>108,682,050</b> |
| Depreciation And Impairment         | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| At 1 July, 2020                     | -                 | -                        | -              | -                      | -                | -                      | -                   | -                        | -                  |
| Depreciation                        | -                 | 1,152,855                | -              | 308,088                | 261,563          | -                      | 1,074,690           | -                        | 2,797,196          |

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

| Cost                          | Land       | Buildings and site works | Motor vehicles | Furniture and fittings | Computer  | Other Assets (Specify) | Plant and equipment | Capital Work-in-progress | Total       |
|-------------------------------|------------|--------------------------|----------------|------------------------|-----------|------------------------|---------------------|--------------------------|-------------|
|                               | kshs       | kshs                     | kshs           | kshs                   | kshs      | kshs                   | kshs                | kshs                     | kshs        |
| Impairment                    | -          | -                        | -              | -                      | -         | -                      | -                   | -                        | -           |
| At 30 June 2021               | -          | 1,152,855                | -              | 308,088                | 261,563   | -                      | 1,074,690           | -                        | 2,797,196   |
| Depreciation                  | -          | 1,662,000                | -              | 481,657                | 235,550   | -                      | 593,480             | -                        | 2,972,687   |
| Disposals                     | -          | -                        | -              | -                      | -         | -                      | -                   | -                        | -           |
| Impairment                    | -          | -                        | -              | -                      | -         | -                      | -                   | -                        | -           |
| Transfer/Adjustment           | -          | -                        | -              | -                      | -         | -                      | -                   | -                        | -           |
| At 30 <sup>th</sup> June 2022 | -          | 2,814,855                | -              | 789,745                | 497,113   | -                      | 1,668,170           | -                        | 5,769,883   |
| Net Book Values:              |            |                          |                |                        |           |                        |                     |                          |             |
| At 30 <sup>th</sup> June 2022 | 15,000,000 | 80,285,145               | -              | 2,915,305              | 445,087   | -                      | 4,266,630           | -                        | 102,912,167 |
| At 30 <sup>th</sup> June 2021 | 15,000,000 | 57,642,752               | -              | 2,567,400              | 1,046,250 | -                      | 10,746,900          | -                        | 87,003,302  |

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**Notes to the Financial Statements (Continued)**

**Valuation**

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). These amounts were adopted in the financial statements on 30 June 2022

**31 (b) Property, Plant and Equipment at Cost**

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

| Description                               | Cost<br>Kshs | Accumulated<br>Depreciation<br>Kshs | NBV<br>Kshs |
|---|--------------|-------------------------------------|-------------|
| Land                                      | 15,000,000   | -                                   | 15,000,000  |
| Buildings                                 | 83,100,000   | 4,014,766                           | 79,085,234  |
| Plant And Machinery                       | 5,934,800    | 2,981,680                           | 2,953,120   |
| Motor Vehicles including Motorcycles      | -            | -                                   | -           |
| Computers and Related Equipment           | 942,200      | 933050                              | 9,150       |
| Office Equipment, Furniture, And Fittings | 3,705,050    | 1,211,032                           | 2,494,018   |
|   | 108,682,050  | 9,140,528                           | 99,541,522  |
| <b>Total</b>                              |              |                                     |             |

**32. Intangible Assets**

| Description                        | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|------------------------------------|-------------------|-------------------|
| <b>Cost</b>                        |                   |                   |
| <b>At beginning of the year</b>    | xxx               | xxx               |
| Additions                          | xxx               | xxx               |
| <b>At end of the year</b>          | xxx               | xxx               |
| Additions–internal development     | xxx               | xxx               |
| <b>At end of the year</b>          | xxx               | xxx               |
| <b>Amortization and impairment</b> |                   |                   |
| <b>At beginning of the year</b>    | xxx               | xxx               |
| Amortization                       | xxx               | xxx               |
| <b>At end of the year</b>          | xxx               | xxx               |
| Impairment loss                    | xxx               | xxx               |
| <b>At end of the year</b>          | xxx               | xxx               |
| <b>NBV</b>                         | xxx               | xxx               |

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

**33. Investment Property**

| Description              | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--------------------------|-------------------|-------------------|
| At beginning of the year | -                 | -                 |
| Additions                | -                 | -                 |
| Disposal during the year | -                 | -                 |
| Depreciation             | -                 | -                 |
| Impairment               | -                 | -                 |
| At end of the year       | -                 | -                 |

**34. Trade and Other Payables from Exchange transactions**

| Description                           | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---------------------------------------|-------------------|-------------------|
| Trade payables                        | 100,000           | 3,040,890         |
| Fees paid in advance                  | -                 | -                 |
| Salary deductions                     | -                 | -                 |
| Third-Party Payments                  | -                 | -                 |
| Other Payables                        | -                 | -                 |
| <b>Total Trade and Other Payables</b> | <b>100,000</b>    | <b>3,040,890</b>  |

**35. Refundable Deposits from Customers/Students**

| Description               | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|---------------------------|-------------------|-------------------|
| Consumer deposits         | -                 | -                 |
| Caution money             | -                 | -                 |
| Other refundable deposits | -                 | -                 |
| <b>Total Deposits</b>     | <b>-</b>          | <b>-</b>          |

**36. Employee Benefit Obligations**

| Description                               | Defined benefit plan | Post-employment medical benefits | Other provisions | 2021-2022 | 2020-2021 |
|---|----------------------|----------------------------------|------------------|-----------|-----------|
|   | Kshs                 | Kshs                             | Kshs             | Kshs      | Kshs      |
| Current Benefit Obligation                | -                    | -                                | -                | -         | -         |
| Non-Current Benefit Obligation            | -                    | -                                | -                | -         | -         |
| <b>Total Employee Benefits Obligation</b> | <b>-</b>             | <b>-</b>                         | <b>-</b>         | <b>-</b>  | <b>-</b>  |

**Retirement benefit Asset/ Liability**

Belgut Technical and Vocational College operates no a defined benefit scheme for all full-time employees.

Belgut Technical and Vocational College also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act Belgut Technical and Vocational College. 's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. XXX per employee per month. Other than NSSF Belgut Technical and Vocational College has no other defined contribution scheme operated by XXX Pension Fund. Employees contribute xx% while employers contribute xx% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

**37. Cash generated from operations**

|  | 2021-2022        | 2020-2021        |
|--|------------------|------------------|
| Surplus for the year before tax                | Kshs             | Kshs             |
| <b>Adjusted for:</b>                           | 3,930,078        | 2,027,135        |
| Depreciation                                   | 2,972,687        | 2,797,196        |
| Non-Cash grants received                       | -                | -                |
| Contributed assets                             | -                | -                |
| Impairment                                     | -                | -                |
| Gains and Losses on Disposal of Assets         | -                | -                |
| Contribution to provisions                     | -                | -                |
| Contribution to impairment allowance           | -                | -                |
| Finance Income                                 | -                | -                |
| Finance Cost                                   | -                | -                |
| <b>Working Capital Adjustments</b>             | -                | -                |
| Increase in Inventory                          | -                | -                |
| Increase in Receivables                        | -                | -                |
| Increase in Deferred Income                    | -                | -                |
| Increase in Payables                           | -                | -                |
| Increase in Payments received in advance       | -                | -                |
| <b>Net Cash Flow from Operating Activities</b> | <b>6,902,765</b> | <b>4,824,331</b> |

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

**33. Related Party Balances**

**Nature of related party relationships**

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

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

**Government of Kenya**

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

- i) The National Government;
- ii) The Parent Ministry;

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

| Description  | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|-------------------|-------------------|
| <b>Transactions with Related Parties</b>                 |                   |                   |
| <b>a) Sales to related parties</b>                       | -                 | -                 |
| Rent income from govt. agencies                          | -                 | -                 |
| Water sales to govt. agencies                            | -                 | -                 |
| Others ( <i>specify</i> )                                | -                 | -                 |
| <b>Total</b>   |                   |                   |
| <b>B) Purchases from related parties</b>                 |                   |                   |
| Purchases of electricity from kplc                       | -                 | -                 |
| Purchase of water from government service providers      | -                 | -                 |
| Rent expenses paid to government agencies                | -                 | -                 |
| Training and conference fees paid to govt. agencies      | -                 | -                 |
| Others ( <i>specify</i> )                                | -                 | -                 |
| <b>Total</b>   |                   |                   |
| <b>b) Grants /Transfers from the Government</b>          |                   |                   |
| Grants from National Government                          | 14,430,000        | 6,255,000         |
| Grants from County Government                            | -                 | -                 |
| Donations in Kind  | -                 | -                 |
| <b>Total</b>   | 14,430,000        | 6,255,000         |
| <b>c) Expenses incurred on behalf of related parties</b> |                   |                   |

**Belgut Technical and Vocational College**  
**Annual Report and Financial Statements for the year ended 30th June 2022**

| Description                                  | 2021-2022  | 2020-2021 |
|--|------------|-----------|
|  | Kshs       | Kshs      |
| Payments of Salaries and Wages for Employees | -          | -         |
| Payments for Goods and Services for          | -          | -         |
| <b>Total</b>                                 |            |           |
| <b>d) Key Management Compensation</b>        | -          | -         |
| Directors' emoluments                        | -          | -         |
| Compensation to Key Management               | -          | -         |
| <b>Total</b>                                 | 14,430,000 | 6,255,000 |

**39. Events After the Reporting Period**

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

**40. Ultimate and Holding Entity**

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

**41. Currency**

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

**XIX. 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 Issue / Observations from external audit Report Auditor | Management comment | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|--------------------|--------------------------------------|---|
|  |                    |                                      |   |
|  |                    |                                      |   |

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

.....

Name

Belgut Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

Appendix II- Inter-Entity Confirmation Letter

**BELGUT TECHNICAL AND VOCATIONAL COLLEGE**



P.O. BOX 205 - 20200  
KERICHO, KENYA.  
TEL: +254701 566 195

**E-mail:**belguttechnical@gmail.com  
info@betti.ac.ke  
**Website:**www.belguttechnical.ac.ke



The state department of Technical and vocational Education and Training wishes to confirm the amounts disbursed to you as at 30<sup>th</sup> June 2022 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp

Confirmation of amounts received by [Belgut technical and vocational college] as at 30<sup>th</sup> June 2022

| Reference Number/RECIPT NO | Date Disbursed | Amounts Disbursed by [SC/SAGA/Fund] (Kshs) as at 30th June 2022 |                 |   | Inter- Ministerial (C) | Total (D)=(A+B+C) | Amount Received by [beneficiary Entity] (KShs) as at 30 <sup>th</sup> June 2021 (E) | Differences (F)=(D-E) |
|----------------------------|----------------|---|-----------------|---|------------------------|-------------------|---|-----------------------|
|                            |                | Recurrent (A)   | Development (B) |   |                        |                   |   |                       |
| 1503                       | 23.11.2021     | 4,402,500   | -               | - | -                      | -                 | -   |                       |
| 2699                       | 02.03.2022     | 4,402,500   | -               | - | -                      | -                 | -   |                       |
| 3894                       | 03.06.2022     | 5,625,000   | -               | - | 14,430,000             | 6,255,000         | 8,175,000   |                       |
| Total                      | -              | 14,430,000  | -               | - | 14,430,000             | 6,255,000         | 8,175,000   |                       |

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

Head of Accountants department of beneficiary Entity:

Name Wesley K. Bill Sign [Signature] Date 31.05.2023

**FINANCE OFFICER**  
**BELGUT TECHNICAL & VOCATIONAL COLLEGE**  
**31 MAY 2023**  
Sign:.....  
P.O. Box 205 - 20200, KERICHO  
Email: belguttechnical@gmail.com

Belgūt Technical and Vocational College  
Annual Report and Financial Statements for the year ended 30th June 2022

1000000000