


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 09 APR 2025	DAY: Wednesday
TABLED BY: Hon. Sylvanus Uson MP Majority Party Whip	
OF CLERK-AT THE-TABLE: A. Shikwa	

THE AUDITOR-GENERAL

ON

**BUNYALA TECHNICAL AND VOCATIONAL
COLLEGE**

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



BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
REVISED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2024

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

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1. Key Entity Information and Management

(a) Background information

The *Bunyala Technical & Vocational College* (hereinafter known as the *College*) was registered in accordance with the TVET Act 2013, on 12th October 2017. The College is domiciled in Kenya, Busia County, along Bumala – Port Victoria road. The College is under the Ministry of Education, State Department for Vocational and Technical Training.

The College has seven academic and six non-academic departments including the finance, procurement, stores and Internal Audit functions (internal audit is outsourced from a sister institution). The academic departments are Automotive/Mechanical Engineering, Electrical Engineering, Building and Civil Engineering, Hospitality and Institutional Management, Cosmetology, Business and Liberal Studies, ICT while the nonacademic departments are Registrar, Dean of Students, Industrial Liaison, Transport and Machine Maintenance, Production Unit and Grounds.

(b) Principal Activities

The principal mandate of the College is to provide technical training for knowledge and skills empowerment of trainees. In addition, ensure commensurate evaluation and certification through the relevant state agencies such as Kenya National Examinations Council (KNEC), Kenya Accountants and Secretaries National Examinations Board (KASNEB). The training function is conducted under established curriculum by KICD and TVET CDACC with strict observance of quality and standards relevant in technical and vocational training. The college advertises and recruits trainees through KUCCPS and directly as walk-ins. This is done in a manner to ensure access and equity in training and guided by the Kenya Constitution 2010 and Statues of Kenya, and mandated regulatory and supervisory bodies

VISION

Provide training opportunities in science, technology and innovation for the world of work

MISSION

Attract and empower trainees in Science, technology and innovation for the purpose of transferring relevant skills.

MOTTO

Technical and Innovation Skills for Economic Authority

The Core mandate of Bunyala TVC is enshrined in its Strategic Plan and presented as strategic objectives outlined below: -

Core Objectives

- i) Offer training in technical and entrepreneurial skills relevant to the labour market
- ii) Establish mechanism to increase enrolment
- iii) Strengthen linkage and partnerships for sustainable development

- iv) Improve institutional infrastructure and increase capacity
- v) Create a conducive environment for innovation
- vi) Nurture talent for self-reliance

(c) Key Management

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

- Board of Governors
- Accounting officer/Principal
- Management

(d) Fiduciary Management

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

Sn.	Designation	Name
1.	Principal	Mr. Emmanuel Biketi Wamalwa
2.	Deputy Principal Administration	Mr. Keffa Musumba Oduor
3	Deputy Principal Academics	Ms. Sheila Kasoa
4	Registrar	Mr. Winslaus Otunga
5	Dean Of Students	Mr. Fredrick Were
6	Head Of Finance	CPA Ms. Immaculate Namwakira

(e) Fiduciary Oversight Arrangements

Name of Committee	Members
Audit and Risk Committee	1. Mr. Ekuot David 2. Ms. Nakhulo Henrietta – Chairperson 1. Mr. Norbert Musina – Internal Auditor
Finance and operations	2. Mr. Kemboi K. Josphat - Chairperson 3. Mrs. Caroline Wanyama 3. Mr. Ochoro D. Paul
Academic Committee	4. Prof. Wilphredian Okumu-Bigambo – Chairperson 5. Mr Ochoro D. Paul 6. Ms. Martha Wekesa
Project Management Committee (CDF project)	7. Mr. Melitus Okumu 8. Mrs. Wilmina Obwora 9. Mr. Robert Okotch Kechula 10. Ms. Veronica Achoka 11. Mr. Ignatius Ateya 12. Mr. Emmanuel Wamalwa

(f) Entity Headquarters

Bunyala Technical and Vocational College
P.O. Box 104 – 50410, Port Victoria
Along Bumala – Port Victoria Road
Bunyala Sub County
Busia County, KENYA

(g) Entity Contacts

Telephone: (+254) 758850414, (+ 254) 0722 437 056
E-mail: info@bunyalatvc.ac.ke/principal@bunyalatvc.ac.ke
Website: www.bunyalatvc.ac.ke

(h) Entity Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

Other Commercial Banks

Kenya Commercial Bank
Port Victoria Branch
P.O Box 274 – 50410
Port Victoria




(i) Independent Auditors

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





(j) Principal Legal Adviser



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

2.The Board of Governors





No.	Member	Details
1.	 Mr Francis Rambui, M.BA Chairman BoG	<p>Born on 4th January 1982. Holder of MBA Entrepreneurship. He has over 10 years' experience in the banking industry. Currently Branch Manager KCB Kilgoris. He is the current Chairman of the Board of Governors Bunyala TVC.</p>
2.	 Prof. Wilphredian Okumu-Bigambo, Ph.D Chairman Academic, Human Resource and Welfare Committee	<p>Born on 22nd September 1957. Holder of PhD in Communication and Public relations Over 40 years' experience in the education sector. Currently, a prof. at the Eldoret University</p>
3.	 Ms Henrietta Nakhulo Namava, B.Ed Chairperson Audit and Risk Management Committee	<p>Born on 29th June 1977. She is a holder of Bachelor's degree in Education. She has more than 20 years' experience in teaching and advocacy</p>

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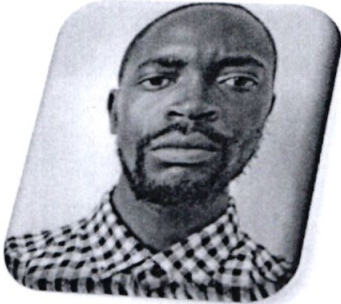

<p>4.</p>	 <p>Mr. Kemboi Joseph, M.BA/CPA II Chairman Finance Planning and Development Committee</p>	<p>Born on 10th April 1971. He holds M.Phil. Economics and B.Ed. Arts. He has more than 12 years' experience of teaching at the university of Eldoret.</p>
<p>5.</p>	 <p>Mr. David Aukot, B.Sc (Mech. Eng.)</p>	<p>Born on 24th April 1990. He holds a M.Sc in Information Systems</p>
<p>6.</p>	 <p>Dr. Daniel Ochoro, M.BA</p>	<p>Born on 27th September 1960</p> <p>PhD Research and sustainable development</p> <p>Over 40 years' experience in teaching</p>
<p>7.</p>	 <p>Mrs Carolyne N.A. Wanyama, B.Sc.</p>	<p>Born on 1st September 1972. Holds a B.Sc Agriculture and Human Ecology Extension</p> <p>Over 25 years' experience in agriculture industry working at the Nzoia Sugar Co.</p>

<p>8.</p>	 <p>Mr. Joseph Sunguti, MBA Regional Director Busia/Bungoma/Kakamega/Vihiga/Trans Nzioa</p>	<p>Born in 1961, holds a master of Distance Learning and Bachelor of Education(accounting, finance and economics) degree from the University of Nairobi. He also holds a certificate in Senior Management Course and Strategic Leadership Development Programme from Kenya School of Government. He is an experienced County Director of TVET, spanning ten (10) years now.</p>
	 <p>Emmanuel Biketi Wamalwa , M.Ed</p>	<p>Born on 11th September 1973. Holder of M.Ed (Guidance and Counselling, B.Ed Tech), Dip in Ed. and Senior Management Course. Senior Principal/Secretary BoG. Over 25 years' experience in teaching and 18 years in administration in TVET institutions.</p>

3. Key Management Team

No.	Member	Details
1.	 Emmanuel B. Wamalwa, M.Ed	Senior Principal
2.	 Mr Musumba Keffa Oduor , B.Ed	Deputy Principal, Administration
3.	 Ms. Sheila Kaso, B.Ed	Deputy Principal Academics
4.	 Mr. Winslaus Otunga. B.Sc	Registrar

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5.	 Mr. Fredrick Were. B.Sc	Dean of Students
6.	 Mr. Simon Sinjagi Nandambala	Procurement Officer
7	 Ms. Immaculate Namwakira	Finance Officer

4. Chairman's Statement

Bunyala TVC has had a fairly good and successful year in matters training and staff development. The college posted fair results in academic performance in most of the departments. We appreciate the government through the State Department for posting five more new trainers. This has tremendously contributed to the reduction in our wage bill. We are expecting an additional 9 new trainers whom we interviewed in May 2024. Although the gap will not have been filled but the size will indeed have been minimised. Currently, the board has a total of 21 trainers on its payroll making a total of 54 trainers against a student population of 1174.

The year 2023/24 was one that came with a new dawn pertaining to matters of successful partnerships. We feel greatly honoured by our Member of Parliament for having completed another milestone for the college i.e. laying cabro along the main access road to the institution.

The Board members were all very supportive in as far as attending meetings and participating in making proposals and seeking alternative means of increasing our A-in-A. We are committed to seeking collaborations with both local and international development partners to ensure that the college remains afloat financially, socially and psychologically for our staff and especially the management team. So far, we have managed to maintain a healthy collaboration with KCB Foundation who have sponsored close to 400 students since the year 2020. We also partner with SHOFCO (Shinning Hope for Communities) which has started sponsoring students as well.

The college has a very disciplined lot of students led by a well-informed student governing council. The student leaders were taken to a sister college, Mumias West for bench marking. The one day tour shed light on their leadership career and they realised that they were doing fairly well as a unit. This motivated them and led them to encourage their colleagues to continue working hard and loving their institution.

The biggest challenge facing the institution is scarcity of clean water for drinking and general use. The college fetches water from the lake using a water bowser on a daily basis. This has been a very expensive venture for management. We are in the process of muscling finances through income generating activities/fees & capitation/donor funding to enable us do away with this very serious need. We envisage that we can be able to clear with this before the end of the next financial year 2024/2025.

Another major challenge is the inadequate tuition rooms, land for expansion and high wage bill. We are in the process of mobilising funds through cost cutting measures as well development partners to help us construct at least 5 new classrooms and procure more land. We are hopeful that the government will be posting the newly recruited trainers to help us ease the burden on our income and thereby reduce the wage bill.

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However, we are happy that the community has been very supportive by giving us a good and peaceful working environment. We believe that with such support we cannot be stopped by any type of challenge because we know that we have what it takes to overcome all obstacles.



Mr. Francis Rambui
Chairman BoG

5. Report of the Senior Principal

We thank the Lord God Almighty for what He has continued to help us to achieve as an institution. The college has been able to register growth in enrolment of students, staff establishment as well as infrastructure. This is the sixth year since the college was established and became operational.

The college has a total of 1,174 students enrolled in various courses. We have a total of seven academic departments namely: - Automotive Engineering, Building and Civil Engineering, Electrical Engineering, Hospitality and Institutional Management, ICT, Business Studies and Liberal Studies. We expect to separate some of them in the near future when the number of staff increases. We also have 6 non-academic departments namely: Registrar, Dean of Students, Industry Liaison Officer, Guidance and Counselling Coordinator and Procurement and Finance. The Ministry posted the Deputy Principal Academics who reported in third term last year 2023. All the departments have worked harmoniously as a team to enable the college attain the goals, objectives and strategies as outlined in our strategic plan.

The students' council held their second elections in July 2024 to usher in a new team of leaders after the term for the previous council expired according to their constitution. The elections were peaceful having been managed by the Independent Electoral and Boundaries Commission (IEBC), Budalang'i Constituency. The peaceful elections is also due to the high discipline levels among our students. A training for the council will be conducted in September to empower them with relevant leadership skills. They will also be sent to another sister institution to bench mark, just like their predecessors. We hope that they will learn and copy best practices to enable them be better leaders during their tenure.

Performance in national examinations has continued to be better in all exams undertaken within the year. We have had a fair share of challenges especially related to inadequate funding. This challenge made us not to be able to acquire some of the key training materials especially for exams. This is a very high risk area since it touches on the students' academic affairs. We have introduced the Competency Based Education and Training Curriculum. This curriculum is practical oriented and the cost for the examinations is quite high. This affects both the students and the institution in as far as procurement of materials for practical's is concerned. This calls for very efficient and timely disbursement of capitation.

Our college participated in the following co-curricular activities: Volleyball ladies where we emerged as both regional and national champions. We also presented teams in Soccer men and handball men. We also participated in TVET Fairs where our robot emerged position 3 at the regional level and proceeded for nationals. We also presented teams in both the regional and national drama festivals.

We have had a very supportive Board of Governors led by the chairman who happens to be a branch manager with KCB Bank. They have ensured that meetings are attended religiously to the last person. They have occasionally accepted to hold online meetings especially as a cost cutting measure whenever funds have been a challenge. They have also been able to help improve our collaboration especially with the KCB Foundation, an organisation that has sponsored students to the tune of about 400 of them since 2020. We are hopeful that they will keep up the fire to help us improve infrastructure through funds mobilisation.

The college embarked on the journey of growing our A-in-A by setting up a bakery at an initial cost of Ksh. 1.2 million shillings. The bakery is currently operational. We have continued to improve our production from about 150 loaves of bread when we started to an average of 350 per day today. We are planning to procure a bigger oven to enable us produce more than 1,000 pieces per day. Our target is to maintain a production of more than 1,500 pieces per day. We have done marketing for our bread which is branded and certified by KEBS. Our product is competing very favourably against old and popular brands like super loaf and others. We sell a loaf both to retailers and wholesalers at different prices. We have plans to mount other Income Generating Activities in Agriculture and mechanical production (fabrication of metals).

We feel very proud to be associated with the Constituency Development Fund for the projects which they sponsored to completion i.e. the kitchen and laying of cabro blocks on the main access road to the college. These projects have really improved the college visibility and eased the pressure on tuition rooms. We immediately converted the kitchen to a Food and Beverage department where trainers have an office as well as rooms for lessons. We appreciate the Member of Parliament for Budalang'i for this great milestone. If funds allow we would gladly put up a multi purpose hall next to the kitchen, an undertaking which the Member of Parliament has also hinted that he could do if funds permit.

In our effort to adhere to the Presidential directive to plant 15 billion tree seedlings, Bunyala TVC established a tree seedlings nursery from which we managed to distribute up to 5,000 tree seedlings to the community. Some of these seedlings were procured to ensure that we offered something substantial to the community during the national holiday for tree planting. We have also planted trees in the neighbourhood and more specifically on the slopes from where rain water flows heavily causing serious damage in the institution. The college has undergone untold suffering due to the flooding which also interferes with learning because of water in the classrooms. Damaged road network, sinking toilets in hostels, mud on walls, gabions in the college passage ways, etc. are some of the devastating effects of the floods. We have generated a work plan to help mitigate against this effect. We hope that if funds allow, then we will implement it.

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Some of our major challenges is the lack of a stable source of clean drinking water. We fetch water using a water bowser on a daily and or weekly basis depending on the level of need. This costs us an average of Ksh. 20,000 per week and almost ksh. 1.0 million per year. We find it very expensive to sustain. We have been in the business of mobilising resources to drill a borehole for reliable water supply but we are yet to succeed. We are also in dire need of additional tuition rooms and land for expansion. We hope to mobilise more funding through fees collection, capitation and development partners to enable us solve some of these pressing issues.

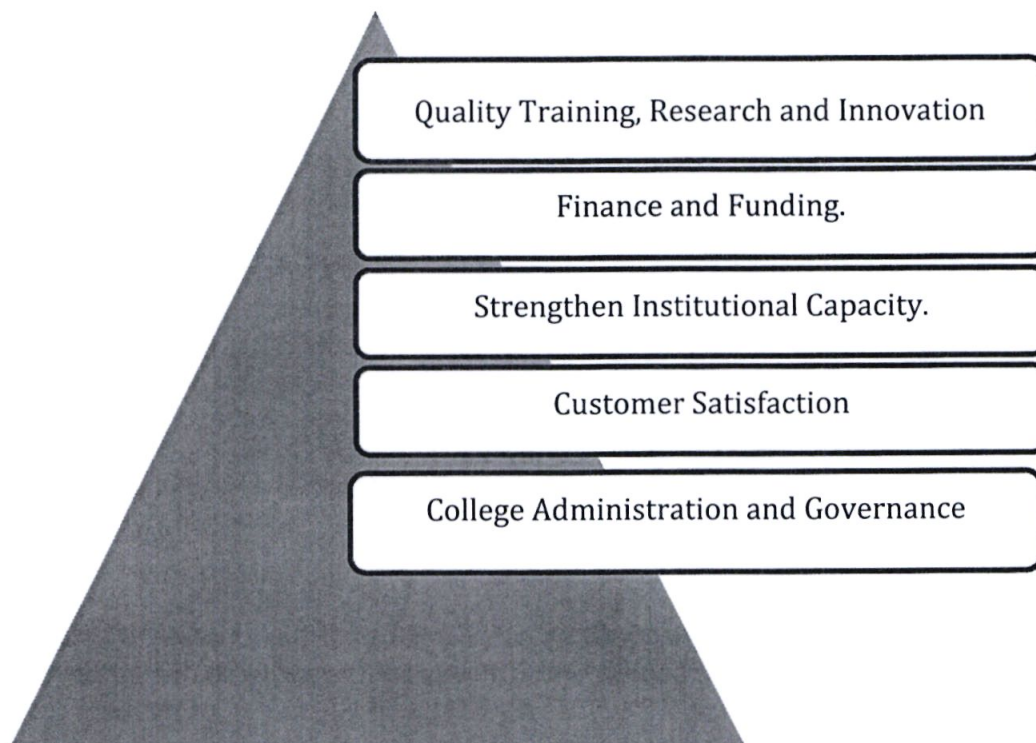
The college received funding from the government in form of Capitation in all the four quarters. However, Q.1, 2 and 3 capitation was distributed at a rate of Ksh. 4,000 per student while in Q.4, it was at a rate of Ksh. 3,000 per trainee totalling to Ksh. 15,000 per trainee per year. This caused a big deficit in our budget considering that we had factored Ksh. 30,000 per trainee per year. If it were not for National Youth Service which paid full fees for their sponsored students at Ksh. 13.0 million and KCB Foundation which paid Ksh. 4.6 million, it could obviously have been very difficult to run through the year successfully.

However, the deficit caused us to stagger with a big creditors list amounting to Ksh. 9.0 million. The delay in paying these suppliers was also caused by delay in disbursement of funds by the KCB Foundation and NYS. This list has so far been reduced by more than Ksh. 5.0 million. We hope that the government and development partners will be releasing all the required funds this year in a timely manner.



Wamalwa Emmanuel
Principal/Secretary BoG

6. Statement of Performance against Predetermined Objectives



Bunyala TVC has 5 strategic pillars and objectives within its Strategic Plan for the FY 2023-2028. These strategic pillars are as follows:

Fig. 1: Strategic Pillars

Bunyala Technical and Vocational College develops its annual work plans based on the 5 pillars.

Assessment of the Board’s performance against its annual work plan is done on a quarterly basis. The College achieved its performance targets set for the FY 2023/2024 period for its 5 strategic pillars, as indicated in the table below:

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
Pillar 1. Quality Training, Research and Innovation	1.1 To hire, skill and reskill trainers	i) Appointment letters/Signed contracts ii) Training reports iii) Exchange program reports	i) Recruiting trainers to address existing deficit ii) Reskilling trainers for effective	i) 5 trainers recruited ii) Staff trained iii) 2 exchange programs iv) 5 trainers mentored. v) Tied to Performance

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		iv) Mentorship reports and forms.	training e.g., training methodology through Kenya School of TVET iii) Mentorship programme for newly employed academic staff iv) Establishment of exchange programmes	Contract (PC) on Competence Development
	1.2 To strengthen research and innovation	i) Capacity building report ii) Research and innovation week report. iii) Signed memorandums iv) Workshop reports v) Implementation of best practices vi) Increased innovations vii) Commercialization report.	i) Build capacity of trainers in carrying out research. ii) Support research activities. iii) Forming linkages with other organizations iv) Sensitization of trainers on collaboration and partnerships v) Enhance the capacity of Research and Innovation coordinator	i) Established research department with research committee ii) Promoting research, commercialization and innovation. iii) Establishing partnerships and collaborations with industry iv) Increased number of trainers participating in research v) Trained STI champion vi) Increased innovations vii) Innovated a bending machine yet to commercialize viii) Tied to Performance Contract (PC) on Science, Technology and

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			through networking with researchers vi) Providing links to research courses and resources. vii) Create an ideal environment for commercialization of innovations	Innovation Mainstreaming
	1.3 To revamp infrastructure for curricular and co-curricular activities	i) Certificate of completion ii) Certificate of completion iii) Servicing schedules iv) Number of training and learning materials	i) Modernize the workshops ii) Construct additional tuition blocks. iii) Ensure regular and continuous servicing and maintenance of workshop tools and equipment. iv) Acquire additional tools and equipment for training v) Develop suitable facilities for sports.	i) Acquired new equipment. ii) Constructed: kitchen for food and beverage section, temporary structure for tuition iii) Hired a technician iv) Delivery notes and invoices, Inspection reports. v) Tied to Performance Contract (PC) on Co-curricular Activities.
	1.4 To improve on quality of curriculum delivery	i) Training reports ii) Percentage equipping of library.	i) Enhance capacity for academic and non-academic staff.	i) Trained 8 academic and 3 non-academic staff ii) Library equipped iii) Evaluation carried out

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		<ul style="list-style-type: none"> iii) Evaluation reports iv) Analysis report. 	<ul style="list-style-type: none"> ii) Improve and expand learning infrastructure by equipping of the library (5%) iii) Strengthen Quality Assurance office by carrying out trainer and course evaluation for KNEC and CDACC. iv) Enhance monitoring and evaluation by carrying out trainee 2/3 class attendance analysis 	<ul style="list-style-type: none"> iv) 2/3 trainees class attendance analysis done. v) Tied to Performance Contract (PC) on Competence Development, Internal Quality Assurance Policy Implemented
	1.5 To improve on trainee enrolment and completion rates	<ul style="list-style-type: none"> i) Approved marketing policy ii) Certificates of participation iii) Number of partnership established. 	<ul style="list-style-type: none"> i) Enhance marketing of the College programs by reviewing and analyzing the existing marketing strategy/ policy. ii) Enhance trainee welfare and experience by participating and organizing 	<ul style="list-style-type: none"> i) Marketing policy reviewed ii) Participated in ball games, drama and TVET fair iii) Tied to Performance Contract (PC) on Gross Enrolment Increased

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			co-curricular activities	
Pillar 2: Establish mechanism to increase enrolment	2.1 To improve revenue on revenue collection	<ul style="list-style-type: none"> i) Approved strategy ii) Amount of fee raised. iii) Approved templates for returns to KUCCPS and State Department iv) Number of partnership established v) Evaluation report, Approved strategy 	<ul style="list-style-type: none"> i) Ensure that enrollment returns to KUCCPS and State Department are filled on time. ii) Establish collaboration with more sponsors/donors iii) Identify and operationalize more IGAs by carrying out production units business model evaluation and developing a production unit strategy 	<ul style="list-style-type: none"> i) Enrolment returns to KUCCPS and State Department filled on time ii) Collaborations established with SHOFCO ,KCB foundation maintained iii) Feasibility study done and need for bakery identified iv) Bakery established v) Tied to Performance Contract (PC) on Gross Enrolment Increased
	2.2 To develop and improve on cost cutting mechanisms	<ul style="list-style-type: none"> i) Percentage cost reduced. ii) Functional solar systems iii) Duplex printer 	<ul style="list-style-type: none"> i) Decrease costs of acquiring goods and services ii) Implementation and installation of green energy sources iii) Reduce paper wastage by: <ul style="list-style-type: none"> a) Enacting duplex printing b) Implementing 	<ul style="list-style-type: none"> i) Cost reduced ii) Solar security lamps installed iii) Paper wastage reduced through printing in duplex and by enhancing use of soft copy reports and documents. iv) Tied to Performance Contract (PC) on Project Completion Rate.

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			<p>paperless operations</p> <p>c) Coding printers to reduce unnecessary printing.</p>	
	<p>2.3 To enhance resource mobilization measures</p>	<p>i) Bank integration, e-citizen on boarding, reviewed charges for college programs.</p> <p>ii) Appointment letter, Approved policy</p> <p>iii) Certified short courses, Amount mobilized externally</p>	<p>i) Improve the college financing by enhancing revenue collection system and reviewing charges of College's programs</p> <p>ii) Boost capacity of staff on resource mobilization through Appointing Resource Mobilization Officer, and Drafting a resource mobilization policy</p> <p>iii) Broaden sources of funding by Rolling out short term courses and Implementing resource mobilization strategy</p>	<p>i) Increased trainee application for government HELB loan/scholarship</p> <p>ii) Policy developed</p> <p>iii) Short term courses mounted i.e, computer applications, electrical wire man, plumber pipe fitter, welding, tractor operator</p> <p>iv) Tied to Performance Contract (PC) on Competence Development.</p>

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
	2.4 Ensure prudent management and utilization of financial resources	i) Cost analysis report, Percentage implementation, Percentage of collected debts. ii) Number of management trained iii) Approved policy, Analysis report, Approved procurement plan, Appraisal report.	i) Enhance cost-effectiveness of college programs by: Carrying out cost-benefit analysis of the programs, Implementing the cost analysis recommendations and Collecting outstanding college debts ii) Strengthen college planning and budgeting process by training top management iii) Strengthen the procurement office by: Reviewing the procurement policy, Analyzing on procurement actual expenditure against the appropriated budget, Reviewing the annual procurement plan and Carrying out supplier	i) Cost benefit analysis carried out, Implementation undertaken, Debts collected ii) Management trained i.e 2 Finance officers, Procurement Principal and his 2 Deputies iii) Procurement policy reviewed, Analysis carried out, Procurement plan reviewed, Appraisal conducted iv) Tied to Performance Contract (PC) on Affirmative Action in Procurement

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
	2.5 To implement productivity mainstreaming	<ul style="list-style-type: none"> i) Draft performance management framework ii) Performance Assessments iii) Training report. 	<p align="center">performance appraisals</p> <ul style="list-style-type: none"> i) Develop a performance management framework ii) Develop and administer the performance appraisal tool and feedback iii) Develop and monitor the productivity measurement matrix for the College 	<ul style="list-style-type: none"> i) Development of draft performance management framework ii) Developed and administered tools iii) Draft productivity Measurement Matrix iv) Tied to Performance Contract (PC) on Productivity Mainstreaming
Pillar 3: Strengthen Institutional Capacity	3.1 To attract , develop and retain human capital	<ul style="list-style-type: none"> i) Approved staff establishment, Reviewed staff establishment, Career guideline policy ii) TNA report, Number of trainers trained. iii) Reviewed scheme of service 	<ul style="list-style-type: none"> i) Attain and sustain optimal staffing levels by: Implementing the approved staff establishment and Reviewing college career guidelines. ii) Enhance development and training 	<ul style="list-style-type: none"> i) Approved Staff establishment implemented, Career guidelines established ii) TNA conducted, TNA report implemented iii) Motivated trainers iv) Tied to Performance Contract (PC) on Implementation of Presidential Directives

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			initiatives by Carrying out Training Needs Assessment and Implementing the TNA report. iii) Review employee scheme of service	
	3.2 To enhance employee engagement and motivation	i) Calendar of events, Number of briefs, Team building reports ii) Number of trainers rewarded., Number of sensitized staff, Survey report	i) Enhance awareness and engagement of employees by: Developing a college calendar of events, Providing monthly briefs on college events and Carrying out team building activities ii) Enhance employee welfare by: Implementing bonus policy, Sensitizing trainers on the bonus policy and Conducting employee satisfaction survey	i) Calendar of events developed, Monthly briefs, Team building activities ii) Trainers rewarded, Staff sensitized, Survey conducted

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
	3.3 To streamline performance efficiency	i) Percentage system improvement, Percentage process expanded. ii) Approved policy, Approved strategy iii) Percentage improvement in process efficiency, Percentage increase in task automation efficiency, Percentage of staff successfully trained iv) Number of new access points v) Power backup solution	i) Leveraging on ICT in college operations by Improving on student management information system and Expanding usage of ERP in all college operations ii) Enhance ICT Security by Reviewing ICT policy and Developing data protection Strategy iii) Carry out business process reengineering by Conducting a comprehensive analysis of current processes, collaborating with experts to redesign processes and developing a robust training program iv) Enhance Wi-Fi access points within the college	i) System improved, Process expanded ii) Reviewed policy, Developed strategy iii) Staff sensitized on existing process, Optimized and automated workflows, Proficient staff in new processes iv) New access points installed v) Power backup solution procured vi) Tied to Performance Contract (PC) on Digitalization of Government Services

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			through Mounting of new access points v) Procure a power backup solution	
Pillar 4: Customer Satisfaction	4.1 To enhance college image	i) Approved policy, No. of CSR activities conducted ii) Survey report iii) Approved strategies.	i) Develop and implement corporate social responsibility (CSR) policy ii) Strengthen the college brand visibility by Conducting college awareness survey iii) Improve internal and external Communication by reviewing and applying the following strategies: a) Communication strategy	i) Developed policy, Policy implemented ii) College awareness index iii) Strategies reviewed iv) Tied to Performance Contract (PC) on Implementation of Citizens' Service Delivery Charter

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
	4.2 To enhance Customer Service Delivery	i) Number of staff trained, Customer satisfaction index ii) Approved policy, Approved mechanisms, Number of staff sensitized.	b) Marketing strategy i) Improve Customer Centred Service Delivery by Training staff on customer – centric service and Conducting Customer Satisfaction Survey ii) Improve Complaints Handling Mechanism by Developing Complaints handling Policy , Reviewing policy handling mechanisms and Sensitizing staff on complaints handling procedure	i) Staff trained; ii) Complaints desk established iii) Staff sensitized iv) Tied to Performance Contract (PC) on Implementation of Citizens' Service Delivery Charter
Pillar 5: College administration and Governance	5,1 To Strengthen College Leadership and Governance	i) Percentage implementation of SP, Evaluation report., Approved BCP plan, Percentage	i) Enhance Institutional long- term Sustainability by: Implementing the College's Strategic	i) Strategic Plan implemented, Yearly evaluation of SP done, BCP plan developed, BCP implemented ii) Composite score improved

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		<p>BCP implementation</p> <p>ii) Composite score.</p> <p>iii) Approved policies, Number of staff sensitized, Number of staff trained, Ratified HIV and AIDs work place policy, Approved Gender Mainstreaming Policy, Approved disability mainstreaming policy, Approved Alcohol and Drug abuse work place policy</p>	<p>Plan, conducting yearly evaluation of the Strategic Plan, Develop Business Continuity Plan and Implementing Business Continuity Plan</p> <p>ii) Improve Institutional Performance by Improving annual Performance Contract Composite Score</p> <p>iii) Promote Ethical Leadership by Developing and implementing sexual harassment policy, Sensitizing staff on whistle blowing, Training of Corruption Prevention Committee and Developing whistle blowing policy</p>	<p>iii) Policies developed, Staff sensitized, Committee trained</p> <p>iv) Policies developed</p> <p>v) Tied to Performance Contract (PC) on Strategic Plan Reviewed and implemented</p>

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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			iv) Mainstream Government policies on Cross-cutting issues by Developing and reviewing workplace policies on cross-cutting issues	

The College develops its annual work plans based on the above 5 pillars. Assessment of the performance against its annual work plan is done on a quarterly basis. The College achieved some of its performance targets set for the FY 2023/24 period for its 5 strategic pillars, as indicated in the diagram above.

Our performance contracting targets and annual plans are selected activities across the strategic plan and its objectives and resource allocations.

7. Corporate Governance Statement

Bunyala Technical & Vocational College is fully committed to the principles of good corporate governance encompassing transparency, integrity and accountability. In fulfilment of this objective, the College has put in place this Corporate Governance Statement, a detailed Board Charter (“the Charter” set out on page *xxviii* to *xxxiii*) and a Board Work Plan. This Statement and the Charter impose an obligation on board members to hold themselves accountable to all the College’s stakeholders for the due observance of the principles and practices detailed in the two documents (that is, this Statement and the Charter).

BOARD OF GOVERNORS

The board is responsible for formulating the College’s policies and strategies and ensuring that its core objectives - principally geared towards promoting and pursuing its mandate as guided by the TVET Act 2013 - are well articulated, systematically implemented, and actively pursued.

The board retains the supervisory responsibility for the efficient management and effective control of the College. The principal, on behalf of the board, acts hand in hand with the rest of the management team, guides and directs the business operations of the College, on a day to day basis. In addition, the board approves detailed work plans, internal guidelines and manuals, and closely monitors compliance and implementation.

A timetable of board meetings (in the form of a detailed annual Board Work Plan) is affixed each year in advance by the board. Notices of board meetings are issued and distributed in advance to board members, together with the agenda and board papers.

The board has established a process of performance evaluation for the board and individual board members. This evaluation is usually carried out by the end of each year of service for this board which is in its third and final year of operation.

Annual audit reports and the corresponding audit management letter (whenever issued) are tabled for review at board meetings and appropriate action taken. Other statutory reports are handled in a similar manner, as and when they are issued or received.

BOARD COMMITTEES

The Board delegates some of its powers to board committees. The committees’ terms of reference have been developed and adopted. Their performance is also kept under close scrutiny to ensure that they discharge their respective mandates as expected.

The board has currently established the following committees:

1. Academic, Human Resource & Welfare Committee
2. Audit & Risk Management Committee
3. Finance, Planning & Development Committee

STAFF AND STUDENT WELFARE

The College is an equal opportunity employer. In pursuance of this objective, its employees are recruited on merit, without discrimination on gender, religion, culture, tribe, disabilities and from as diverse social backgrounds as possible.

The College admits students without discrimination on gender, religion, culture, disabilities and from as diverse social backgrounds as possible.

The College endeavours to provide staff and students with a conducive work and learning environment.

BOARD CHARTER

A. PURPOSE

This charter sets out the key values and principles of the Board of governors of the Bunyala Technical & Vocational College (“College”).

It provides a concise overview of the role and responsibilities of the board of governors; powers of the board and board committees; separation of roles between the Board and Management; and the practice of the board in respect of corporate governance matters.

This Board Charter is subject to the provisions of the TVET Act, 2013, the PFM Act, 2012 and any applicable law or regulatory provision.

B. ROLE OF THE BOARD

- a) The Board is the ultimate decision-making body of the College.
- b) The Board is responsible for establishing sound system of internal control for the College.
- c) The Board is responsible for overseeing the corporate governance framework.
- d) The Board is responsible for: adoption of strategic plans and policies; monitoring the operational performance; establishing policies and processes that ensure integrity of the College’s internal controls; and risk management.
- e) The Board is responsible for establishing clear roles and responsibilities in discharging its fiduciary and leadership functions.
- f) The Board is responsible for ensuring that management actively cultivates a culture of ethical conduct and sets the values to which the institution will adhere.
- g) The Board is responsible for ensuring that the strategies adopted promote the sustainability of the College.
- h) The Board is responsible for establishing policies and procedures for effective operations of the College.
- i) The Board establishes appropriate staffing and remuneration policies for all employees as required.
- j) The Board ensures the College’s compliance with all applicable laws, regulations, governance codes, guidelines and regulations and establishes systems to effectively monitor and control compliance across the College.

C. MATTERS RESERVED FOR THE BOARD

- a) The Board reserves specific powers to itself and delegates other matters to the management of the College.
- b) The Board delegates its day-to-day powers and duties to the Secretary to the Board (Principal) and to the Management Team as required by law.

D. DELEGATION OF AUTHORITY

- a) Effective governance of the College requires management to be involved in all significant decisions, and to be accountable to the Board. All delegated authorities must emanate from the Board.
- b) In establishing delegated authorities, whether for financial expenditure approval, or other approvals, both quantum and individuals to be granted authority must be presented to the Board.
- c) The Secretary to the Board (Principal) must raise with the Board any matter of significance affecting the College which requires the Board's attention, including any matters which exceed the delegated authority.

E. COMPOSITION OF THE BOARD

- a) The Board shall be appointed by the Cabinet Secretary for Education. It includes members representing Industry, Technology, Leadership, ICT, and Finance & Engineering.
- b) The Board shall ensure that it comprises a diverse mix of skills and expertise critical for effective oversight on the management of the College. This shall be underscored by ensuring that each member has the requisite skill and access to the necessary tools required for their effective performance.

5.1. Appointment and Remuneration of Board members

- a) The Board shall consist of members as shall be determined from time to time and subject to regulatory requirements. The Board Nominating Committee shall recommend names for appointment by the Cabinet Secretary for Education as per regulatory requirements.
- b) The Chairman of the Board shall be appointed by the Cabinet Secretary for Education.
- c) The number of Board members shall be as determined by the TVET Act 2013.
- d) The Board shall establish and approve formal and transparent remuneration policies and procedures for Board members.
- e) Governor's remuneration package shall be adequately disclosed in the full board meeting(s) in line with the financial ability of the college as regulated by the TVET Act 2013.

F. BOARD INDEPENDENCE

To enhance independence, the Board shall avail an environment that ensures the members are critical and independent of one another so as to promote independent and objective judgment.

G. ACCESS TO INFORMATION AND INDEPENDENT ADVICE.

- a) The Board may from time to time require independent legal, financial, governance or other expert advice. To facilitate this, the Board shall ensure members obtain external advice, as may be required, at the College's expense and shall invite senior management to provide technical advice as needed.
- b) The Board shall establish procedures to allow its members access to relevant, accurate and complete information and professional advice in order to discharge its duties effectively.

H. BOARD INDUCTION AND TRAINING

- a) Each Board member shall participate in an induction program that is tailored to effectively orient the member to the College's business, strategy, objectives, policies, procedures, operations, senior management and operating environment. The induction shall also include all the necessary information that shall be required by a member for effective performance on the Board. New Board members shall also be introduced to their fiduciary duties and responsibilities as well as any other aspects that are unique to the College.
- b) Board members should have a clear understanding of their role in corporate governance and be able to exercise sound and objective judgment about the affairs of the College.
- c) The Board shall ensure adequate Board development through continuous training to keep the Board well informed on critical information pertinent to the College and corporate governance environment.
- d) The Board shall conduct a bi-annual review to identify the training needs and facilitate up skilling as well as continuous development.

I. BOARD EVALUATION

- a) For improved Board effectiveness, the Board shall carry out an assessment of its performance, the performance of the Chairperson, that of its committees, individual members and the Secretary.
- b) The Board shall discuss the results of the evaluation exercise which shall also inform the Board on the training needs for its members.
- c) The Board shall disclose whether evaluation of the Board, the chairperson and the Secretary has been undertaken in the annual report and financial statements of the College.

J. ROLE OF THE CHAIR AND SECRETARY

The Chair is appointed by the Cabinet Secretary for Education. The Secretary who is the principal shall keep the Chair informed about the operations of the College.

The Role of the Chair shall be to:

- a) Provide leadership to the Board and ensure its effectiveness in all aspects of its role. The Chair shall set the Board agenda with the assistance of the Secretary who is the principal.
- b) Facilitate the effective contribution of governors and encourage constructive relations between governors.
- c) Monitor attendance at Board meetings;
- d) To ensure that there is a robust process for Board succession and that a current pool of candidates has been identified;
- e) Develop the strategy of the College, together with the Secretary, and ensure the Board is fully appraised and has the opportunity to debate the strategic direction of the College;
- f) Put in place and maintain an effective delegation of authority structure to provide effective management and control over the College's business with the assistance of the Secretary;
- g) Communicate effectively with the College stakeholders. The stakeholders include, where applicable, regulators, governments, students, staff and the communities within which the College operates;
- h) Together with the Secretary/Principal, ensure that the College communicates effectively with, stakeholders, government agencies, financial institutions, the media, the public and any relevant special interest groups who have a legitimate concern or involvement with the operation of the College;
- i) Ensure that the views of the stakeholders are communicated to the Board as a whole;
- j) Chair the Full Board Meetings and all other stakeholder meetings of the College;
- k) Together with the Secretary, ensure that the College operates to the highest standards of corporate governance;
- l) Manage the training needs of each board member and ensure development;
- m) Ensure the Board undertakes continuous development in order to enhance governance practices within the Board itself and in the interest of the College.

The role of the Secretary shall be to:

- a) Ensure that the policies spelt out by the Board in the College's overall corporate strategy are implemented;
- b) Identify and recommend to the board competent officers to manage the operations of the College. In the fulfilment of this duty, the Secretary should ensure that the College's human resources policy is adhered to;
- c) Co-ordinate the operations of the various departments within the College;
- d) Establish and maintain efficient and adequate internal control systems;
- e) Design and implement the necessary management information systems in order to facilitate efficient and effective communication within the College
- f) Ensure that the Board is frequently and adequately appraised about the operations of the College through presentation of relevant board papers, which must cover, but are not limited to, the following areas:

- ✓ Actual performance compared with the past performance and the budget together with explanations of all the variances.
- ✓ Capital structure and adequacy.
- ✓ Performance; in particular, problem touching on students, courses and provisions.
- ✓ Income and expenses.
- ✓ Income: sources and distribution profile.
- ✓ Report on violation of laws and remedial activities undertaken to ensure compliance with the guidelines.
- ✓ Large exposures.
- ✓ KENAO, internal and audit committee reports.
- ✓ Any other areas relevant to the College's operations.
- ✓ Ensure that the College complies with all the relevant and applicable laws in the execution of its operations.
- ✓ Any other duties as may be assigned by the Board from time to time.

K. DUTIES OF BOARD MEMBERS

Each Board member shall have the fiduciary duty to—

- a) Exercise a reasonable degree of care, skill and diligence;
- b) Act in good faith and in the best interests of the College and not for any other purpose;
- c) Act honestly at all times and must not place themselves in a situation where personal interests conflict with those of the College;
- d) Exercise independent judgment at all times;
- e) Devote sufficient time to carry out their responsibilities and enhance their skills;
- f) Promote and protect the image of the College;
- g) Owe their duty to the College and not to the nominating authority; and
- h) Owe the College a duty to hold in confidence all information available to them by virtue of their position as a Board member.

L. THE SECRETARY

The principal appointed by the Public Service Commission is the Secretary to the Board and is charged with the following responsibilities:

- a) To provide guidance to the Board on its duties and responsibilities and on other matters of governance;
- b) To ensure that the Board complies with its obligations under the law and the TVET Act 2013 and all other relevant laws.
- c) To assist the Chairperson of the Board in organizing the Boards activities;
- d) To assist the Board with evaluation exercise;
- e) To coordinate the governance audit process;
- f) To maintain and update the register of conflict of interest;
- g) To facilitate effective communication between the organization and the stakeholders; and
- h) To carry out any other duties as may be assigned by the Board from time to time.

M. BOARD COMMITTEES

- a) The Board may discharge any of its responsibilities through Board Committees appointed from amongst its members' subject to the applicable laws.
- b) The Board has established the following committees:
 1. Academic, Human resource and Welfare committee
 2. Audit & Risk Management committee
 3. Finance, Planning & Development committee
- c) The Board shall appoint the Chairpersons of the Committees and shall approve appropriate terms of reference for the Committees.
- d) Reporting obligations:
 - ✓ The Committees shall report to the Board on matters referred to it by the Board and on the proceedings following each meeting of the committee. The report shall include findings, matters identified for specific recommendation to the Board, action points and any other issues as deemed appropriate.
 - ✓ The committees shall liaise with each other in so far as it is expedient to effectively perform their different roles.
- e) The Board remains collectively responsible for the decisions of any committee and shall review the effectiveness and performance of committees annually.
- f) The Board may be required to establish other committees from time to time.

N. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS

- a) All Board members are required to:
 - ✓ Declare any interests that may give rise to potential or perceived conflict, for instance, business relationships or other circumstances that could interfere with exercise of objective judgment;
 - ✓ Declare as soon as they become aware that a subject to be discussed at a Board or committee meeting may give rise to a conflict of interest at the outset of the applicable meeting. The conflicted Board member shall not participate further in the discussion of that subject, nor vote on it. This is subject at all times to the provisions of the guiding laws, rules & regulations of the College.
- b) The Board shall evaluate all potential or perceived conflict of interest as declared and shall approve such transactions with the College as may be appropriate.
- c) A register of declared Conflicts of Interest shall be maintained by the Secretary.

O. CODE OF CONDUCT

- a) The Board shall adopt a Code of Conduct for all governors and employees that addresses, among other things, conflict of interest and which shall be reviewed and updated regularly. A summary of this code shall be made available on the College's website.
- b) The College shall adopt effective whistle blowing mechanisms that encourage staff and other stakeholders to bring out information helpful in enforcing good corporate governance practices.
- c) The Board shall also adopt the Public Service Code of Conduct that will apply to all governors and staff.

P. BOARD MEETINGS

The Board meets at least once quarterly in accordance with exigencies of business. The Board Almanac is prepared in advance. Adequate notice is given for each board meeting, the agenda and board papers are circulated in good time. During these meetings the Board reviewed the College's performance against the planned strategies and also approved issues of strategic nature. The attendance of the board meetings during the financial year 2023/2024 was as follows:

Board of Governors Meeting Attendance as at 30th June 2024

S/NO	NAME	DATE	DATE	DATE	DATE	DATE
		11/07/2023	28/09/2023	26/01/2024	5/4/2024	20/5/2024
1.	Francis Rambui	Present	Present	Present	Present	Present
2.	Martha Wekesa	Present	Present	N/A	N/A	N/A
3.	Joseph Sunguti	N/A	N/A	Present	Present	Present
4.	Prof. Wilphredian Okumu Bigambo	Present	Present	Present	Apology	Present
5.	Caroline A. Wanyama	Present	Present	Present	Present	Present
6.	Josephat Kemboi	Present	Present	Present	Present	Present
7.	Duncan Ochoro	Apology	Present	Present	Present	Present
8.	David Ekuot	Present	Present	Present	Present	Present
9.	Henrietta Nakhulo Namava	Present	Present	Present	Present	Present

Board Committees Meeting Attendance as at 30th June 2024

S/N	NAME	ACADEMIC, HUMAN RESOURCE & WELFARE COMMITTEE	
		DATE	DATE
		24/01/2024	3/4/2024
1.	Prof. Wilphredian Okumu Bigambo	Present	Present
2.	Mr. Duncan Paul Ochoro	Present	Present
		FINANCE, PLANNING & DEVELOPMENT COMMITTEE	
		DATE	DATE
		24/1/2024	4/4/2024
1.	Mr. Josephat Kemboi	Present	Present
2.	Ms. Caroline A. Wanyama	Present	Present
		RISK AND AUDIT COMMITTEE	
		DATE	DATE
		24/1/2024	3/3/2024
1.	Ms. Henrietta N. Nakhulo	Present	Present
2.	Eng. David M. Ekuot	Present	Present

Q. REMUNERATION OF BOG MEMBERS

During every Board meeting, members are entitled to a sitting allowance, lunch allowance (if lunch is not provided), accommodation allowance and mileage reimbursement where applicable within government set limits for state corporations and or as resolved by the members in an official board meeting (the resolution must be in line with existing laws and regulations).

Below is a summary of entitlement per Board Member

Type of payment	Chairman	Member	Remark
	Allowance	Allowance	
Sitting allowance (per meeting)	10,000	9,000	
Transport allowance	10,000	8,000	
Airtime	3,000	-	
Lunch allowance	SRC rates	SRC rates	SRC Rates
Accommodation allowance when travelling for official college assignments both inside and outside Kenya	SRC rates	SRC rates	SRC rates

The board has been busy working on advertising of the college programmes in order to increase enrolment. It has also been working closely with the Office of the President, the area Member of Parliament and other stakeholders towards holding effective open days that are properly publicised to increase visibility.

R. BOARD PERFORMANCE

Performance evaluation identify and record achievements, training requirements and areas for improvement in relation to annual objectives and performance of their respective roles, in order to consider effectiveness. Objectives for the forthcoming year are defined along with identification of how achievements will be met, target dates and details of resource constraints or issues to ensure that actions are planned and taken as a result of the evaluation process.

We strive to provide the highest quality of training to our trainees by;

- i) Being courteous, fair, ethical and professional.
- ii) Being positive and helpful and provide reason for any decisions we make.
- iii) Providing assistance when required.
- iv) Answering enquiries or requests accurately and in a timely manner
- v) Treating our staff, Contractors and Suppliers honestly and with respect.
- vi) Keeping the Institute clean, tidy and free from any damage.

S. RELATIONS WITH STAKEHOLDERS

- a) The Board shall recognize, respect and protect the rights of stakeholders and shall ensure equitable treatment of all stakeholders.
- b) The Board shall provide stakeholders with information as is required under the applicable law and shall establish mechanisms to ensure effective communication with stakeholders.
- c) The Board shall have a stakeholder-inclusive approach and will be responsible for giving due consideration to the legitimate interests and expectations of the College's stakeholders in its deliberations, decisions and actions.
- d) The Board shall establish effective communication with the College's stakeholders including the media as may be appropriate.

T. TERMS OF REFERENCE

The Board has adopted detailed Terms of Reference which are subject to regular review to ensure robustness and responsiveness to the needs and requirements of the operations of the College.



Francis Rambui
Bunyala Technical & Vocational College
Board of Governors

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8. Management Discussion and Analysis Operational & Financial Performance

The enrolment of the college grew from 886 to 1072 registered in the previous FY 2023/24. The major challenges the college faces include but not limited to:

- i) Impending Court battles with creditors for delayed settlement of pending bills
- ii) Delayed disbursement of capitation and HELB funds
- iii) High wages due to increased number of trainers which has continued to increase with increase in enrolment
- iv) Inadequate infrastructure such as classrooms, workshops, playground and related facilities.
- v) Theft cases due to the nature of the college fence.

Below is a summary of our financial performance for the last two financial years: -

All figures are in Kenya Shillings.

	2023/2024	2022/2023
Income	51,600,393	33,210,537
Expenditure	49,465,762	37,352,294
Surplus/(deficit)	2,134,631	- 4, 141,758

During the year ended 30th June, 2024 capitation was Ksh.4000 for quarter one,two and three respectively and Kshs.3000 for quarter four. The College made a surplus of Kshs. 2,134,631 for FY 2023/2024 as a result of increased funding from NYS and KCB Foundation

Key Projects and Investment decisions the College implemented/ongoing/planned

The following key projects were completed in the FY 2023/2024: -

- i) Installation of CCTV cameras around the college compound at strategic points

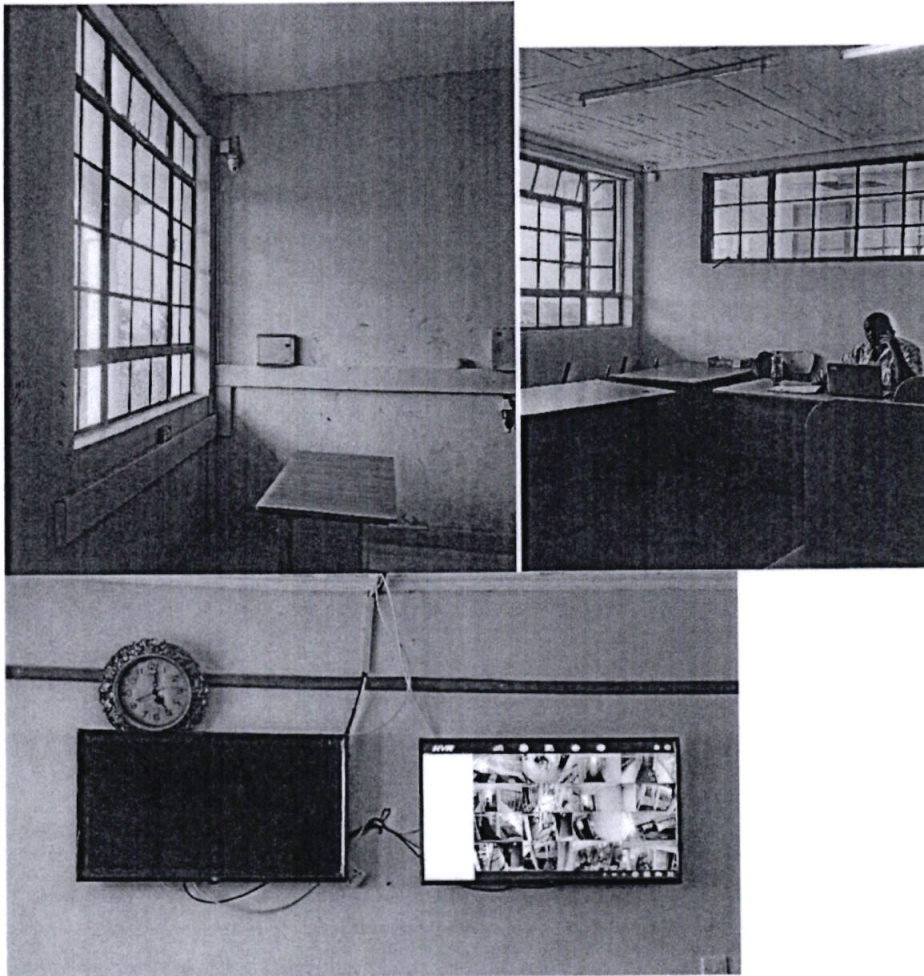


Fig. 1: CCTV cameras around the college compound at strategic points.

ii) Construction of a car park



Fig. 2: Bunyala Car park

- iii) Laying of cabros from the main gate up to the main college block



Fig. 3: Cabros from the main gate up to the main college block

- iv) Modern kitchen funded by the NG-CDF, Budalang'i Constituency

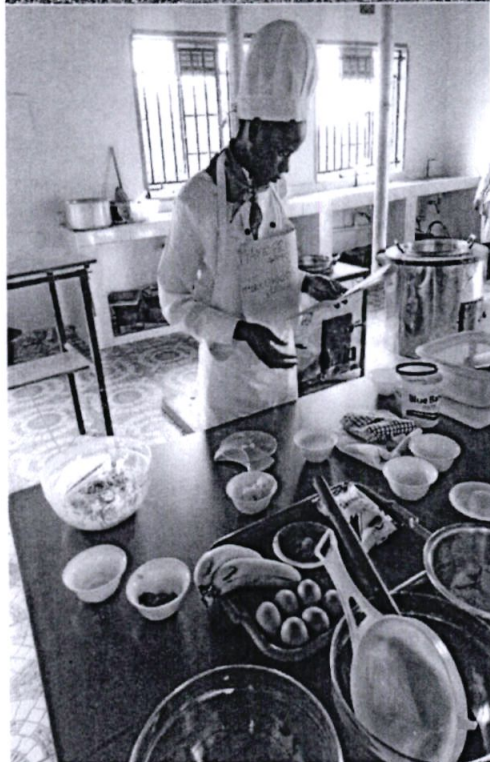


Fig. 4: Modern kitchen funded by the NG-CDF, Budalang'i Constituency

v) The Bunyala Tech Bakery

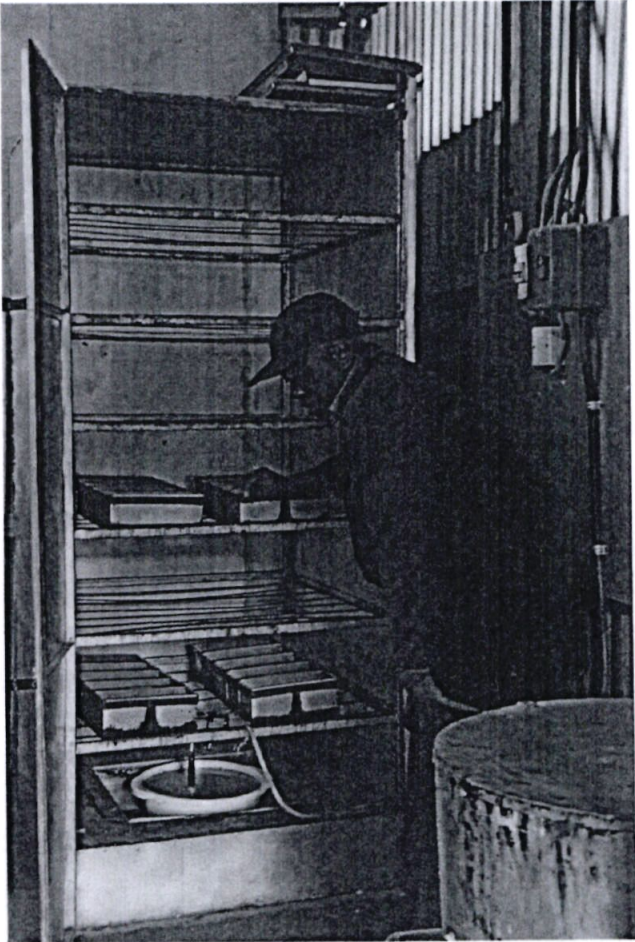




Fig. 5: Bunyala Tech Bakery

The following projects are earmarked to be constructed in the FY 2024/25

- i. Water drilling to provide clean drinking water to trainees as well as the community.
- ii. Construction of a tuition block if funds will be available
- iii. Building department block construction is ongoing.

Compliance with Statutory Requirements

The college complies with all statutory requirements relevant to her and they include: - NHIF, NSSF, PAYE, HELB loans repayments, Affordable Housing Levy, NITA and to make the quarterly and annual returns complying with the PFM Act, 2012 and circulars/directives from the Ministry of Education, the Presidency and other coordinating agencies such as KUCCPS, KATTI., TVETA and other public agencies.

Major risks facing BTVC

Major risks to the college are:

- i) Low student numbers: We are conducting several college marketing initiatives and are hopeful they will boost the student enrolment numbers come the next financial year and, in the years to follow.
- ii) The success of our college is dependent upon our ability to attract and retain key personnel, including trainers and technicians.
- iii) We are dependent upon the disbursement of funds from our parent Ministry for execution of our budgets and programs. Delayed disbursements for quarter four really affected our operations.
- iv) It may not be possible to claim or collect from the government capitation for financial period past even when our returns were in order. It is also difficult to collect on grant promises which are factored into our budgets.
- v) Project proposal negotiation and funding from the Ministry of Education is outside our control and the proposal terms may change in the future.
- vi) The substantial majority of our revenue is derived from a limited number of sources. During the year ended 30 June 2024, those sources that represented greater proportion of our total revenue were:
 - a. Trainee fees collection: 27.3% of our total revenue
 - b. Capitation and govt. disbursements: 30.3% of our total revenue
 - c. KCB foundation 11.2% of our total revenue
 - d. NYS 31.2% of our total revenue
- vii) College fee revenue from our trainees is a significant portion of overall revenue. There is need to diversify our revenue sources away from student led revenue streams to enhance sustainability.
- viii) Competition for trainees is highly competitive in Kenya, we have to make sure that the calibre of our training programs is of high standard so that our trainees will be our No. 1 marketers. This increased competition could cause our profitability to decline unless appropriate measures are instituted to mitigate against this risk.
- ix) A cyber-attack on or disruption to our IT systems or other systems utilized in our operations could compromise our operations, adversely impact our reputation and subject us to sub optimal operations.

- x) Inability to take up insurance policies could expose us to significant losses.
- xi) We are subject to governmental regulation and other legal obligations related to privacy, data protection, data security and safeguarding. Our actual or perceived failure to comply with such obligations could harm our college.

Material Arrears in Statutory and Other Financial Obligations

Bunyala TVC fully complied with all the statutory deductions and submitted according to established guidelines and timelines. The college does not have any material arrears in Statutory and other financial obligations.

9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING STATEMENT

Bunyala TVC top management underscores the importance of sustainable efforts as key to ensuring that those living today do not interfere with operations of those who will come tomorrow. We have ensured strict adherence to the college Kenya Constitution 2010 especially the bill of rights, rules and regulations of the college and other legal and ethical standards to ensure that social and economic sustainability. We stick to our Core Values which are embedded in our Strategic Plan i.e. Integrity, Professionalism, Transparency and Accountability, Impartiality, etc.

Sustainability strategy and profile

We recognize the shared responsibility to protect our planet. Although our facilities and operations have a small ecological footprint, we reduce the environmental impact of our business through preservation, conservation, and waste reduction practices. We have plans to move away from using wood fuel to gas and mounting up phase one of the solar generated power. Garbage has been well managed by providing dustbins and washing points at strategic points, Bins for female Trainees have been provided to manage sanitary pads.

Key achievements and failures

Bunyala TVC as a College has planted more than 7500 trees of different species which have been nurtured and are growing within the compound. Currently, we have constructed a modern tree nursery with 6 different species of tree seedlings namely: *Maesopsis eminii*, *Markhamia lutea*, *Croton megalocarpus*, *Moringa spp*, *Travelia brown* and *Jack fruit tree*. We have more than 10500 tree seedlings in the nursery. We are targeting to plant more in the college as well distribute more than four thousand to the community.

In collaboration with KFS (Kenya Forest Service), we are restoring Bunyala Forest Hill within Sisenye in order to meet the targeted 100,000 tree population.





Fig. 6: Tree planting within the Bunyala college compound

Our main failure has been in ability to nurture to maturity all the tree that we have planted because of the unreliable rainfall and lack of steady supply of water. We are working on mitigation strategies by drilling our own water.

Environmental performance

Bunyala TVC works with students and staff to ensure good performance of our environment. The college has put in place measures to control soil erosion within the compound, air and water pollution and waste management. These measures include hired staff dedicated specifically to environmental management, budgetary allocation on matters tree planting and management, etc. BTVC employs a holistic approach to manage

the natural resources and ecological processes that serve our social, economic and cultural values. We in conjunction with the KERRA have constructed water ways within the institution and along the main road to control water flow and minimise soil erosion. We are in the process of developing an environmental policy to guide the college on such matters.

Employee welfare

i) Policies guiding the hiring process:

The college has in place a Human Resources Management Policy and Procedures Manual which guides on the following process: - terms and conditions of service for all cadres, code of conduct for staff, job positions and qualification. The policy has been aligned to the Public Service Human Resource Management Policy and Procedures manual and takes into account the gender ratio and stakeholder engagement. The board which plays the oversight role, is involved in all matters of staff welfare including at the point of recruitment.

ii) Improving of skills and managing careers

Training needs assessment is conducted as well as staff appraisal to ascertain the levels of need among both the teaching and non-teaching staff. The board supports staff to undertake skills upgrading and or re-skilling to align with the new technological trends. This is done on annual basis. We have started awarding best performers among staff and students through an event (talents day) organised once per year.

iii) Safety and compliance with OSHA

Bunyala TVC is compliant with the OSHA Act of 2007. We have installed fire fighting equipment in all relevant and risk areas, designated a place for fire assembly and guarded all powered machines to safeguard the users. We are in the process of developing an environmental policy to guide the college on such matters.

Market place practices

Bunyala TVC is committed to its values on impartiality, professionalism, integrity and transparency and accountability.

a) Responsible competition practice, marketing and advertisement

The college advertises for its programmes through the media and local community. We do not mention our competitors in our advertisement unless for a good course such as partnerships/linkages. We have an anti-corruption officer in college with a clear policy guiding the activities of the office. The college does not encourage external political interference in college affairs. The institution usually contracts IEBC to manage the trainee's elections to ensure fairness and minimise internal misunderstandings.

b) Responsible Supply chain and supplier relations

The college adheres to the Public Procurement and Disposal Act 2015, the regulations of 2020 and other related circulars on procurement. We operate within the legal framework

on all procurement matters. The college usually holds sensitization forums for her suppliers prior to procurement procedures and proceedings. We also engage our suppliers in mutual price negotiation before awarding contracts. We adhere to the credit period as stated in the bid documents subject to availability of funds. In addition, the college service delivery charter also presents the duration we take to pay suppliers and this is followed to the later.

c) Product stewardship

The college procurement unit ensures that we procure goods with the following considerations: -

- i) Environmental friendly products
- ii) End life management of each product e.g. plastic recycling
- iii) Promotion of local content i.e. buy Kenya build Kenya

Promotion of education and sports: The College promotes education especially technical education by supporting needy students through work-study programmes for very needy students, talented in sports and other related areas.

Healthcare: The College has made special arrangements with the sub county hospital in Port- Victoria to treat all her students with sick sheets and bill the institution. This has been working well and our students are accessible to quality service from the government facilities. In addition to this, the College has hired a nurse to deal with minor cases of illness.

Water and Sanitation: the college has had a very big challenge with clean drinking water. We procured a water bowser which we use to supply water to our students including the local community. It is a very costly venture and we are considering drilling a borehole to mitigate this gap.

Corporate Social Responsibility / Community Engagements

The college was involved in the following CSR activities in the FY 2023/2024

- i. Supported the budget for the national holiday's celebration by the Deputy County Commissioner for Bunyala Sub County. We supported the budget during the June 1st 2024 Madaraka day celebration as well as the 12th December 2023 Jamhuri day celebration.

10. REPORT OF THE BOARD OF GOVERNORS

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

Principal activities

The principal activities of the College are to provide for coordinated assessment, examination and certification; to institute a mechanism for promoting access and equity in training; to assure standards, quality and relevance in technical and vocational education and training and for connected purposes as guided by the Constitution and Statutes of Kenya, and mandated regulatory and supervisory bodies.

Results

The results of the College for the year ended June 30 2024 are set out on page 1-6

Board of Governors

The members of the Board who served during the year are shown on table of content. During the year no director retired/ resigned and no one was appointed with effect from July 1 2023 to date.

Auditors

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

By Order of the Board



.....
Emmanuel Wamalwa
Secretary of the Board
Date:11.03.2025

11. STATEMENT OF BOARD OF GOVERNORS

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 - (entities should quote the applicable legislation under which they are regulated)) require the board members to prepare financial statements in respect of the college, which give a true and fair view of the state of affairs of the college at the end of the financial year/period and the operating results of the College for that year/period. The board members are also required to ensure that the College keeps proper accounting records which disclose with reasonable accuracy the financial position of the college. The board members are also responsible for safeguarding the assets of the college.

The Board members are responsible for the preparation and presentation of the Bunyala TVC financial statements, which give a true and fair view of the state of affairs of the college for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes:

- i. Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period
- ii. Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 college,
- v. Selecting and applying appropriate accounting policies
- vi. Making accounting estimates that are reasonable in the circumstances.

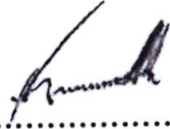
The Board members accept responsibility for the college's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required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

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

Approval of the financial statements

The Bunyala TVC's financial statements were approved by the Board on 8/8/2024 and signed on its behalf by:



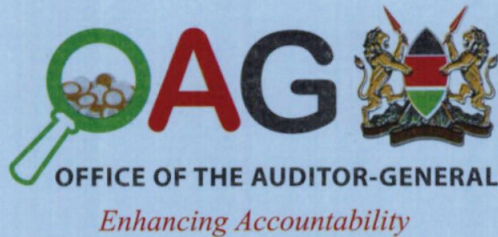
.....
Name: Francis Rambui
Chairperson of the Board/Council



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

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON BUNYALA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Bunyala Technical and Vocational College set out on pages 1 to 34, which comprise the statement of financial

Report of the Auditor-General on Bunyala Technical and Vocational College for the year ended 30 June, 2024

position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bunyala Technical and Vocational College as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Long Outstanding Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 18 to the financial statements reflects current portion of receivables from exchange transactions balance of Kshs.29,742,275. Review of the debtors ageing analysis revealed that the receivables had been outstanding for more than one (1) year. However, Management did not provide evidence of effort made to collect the long outstanding debts. Further, no provision for bad and doubtful debts was provided during the year under review.

In the circumstances, the accuracy and recoverability of the long outstanding receivables from exchange transactions balance of Kshs.29,742,275 could not be confirmed.

2. Unconfirmed Farm Machinery Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.117,928,582, which as disclosed in Note 21 to the financial statements includes farm machinery balance of Kshs.58,650,668. However, ownership documents for seven (7) tractors and valuation report for the farm machinery were not provided for audit review.

In the circumstances, the accuracy and ownership status of farm machinery balance of Kshs.58,650,668 could not be confirmed.

3. Inaccuracy in the Statement of Changes in Nets Assets

The statement of changes in nets assets reflects revaluation reserve balance of Kshs.116,834,000 as at 30 June, 2024. Information available indicate that the amount relates to farm machinery grant from Kenya China Project Phase 2 through the Ministry of Education. However, the amount was erroneously classified as a revaluation gain instead of revenue from non-exchange transactions as required by International Public Sector Accounting Standards.

In the circumstances, the accuracy and completeness of the statement of changes in net assets could not be confirmed.

4. Inaccuracy in the Statement of Cash Flows

The statement of cash flows reflects net cash inflow from operating activities amount of Kshs.265,498. However, the amount was not analyzed by way of Note to the financial statements as required by International Public Sector Accounting Standards and reporting template prescribed by the Public Sector Accounting Standards Board.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

5. Unconfirmed Depreciation and Amortization Amount

The statement of financial performance and as disclosed in Note 13 to the financial statements reflects depreciation and amortization amount of Kshs.13,440,210. However, the depreciation and amortization policy was not provided for audit review and the method of depreciation used by Management was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of the depreciation and amortization amount of Kshs.13,440,210 could not be confirmed.

6. Inaccuracy in the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.45,853,882 and Kshs.51,600,393 respectively. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.45,853,882 and Kshs.49,465,762 respectively. However, the statement was prepared on accrual basis of accounting instead of cash basis of accounting as required by accounting standards. Further, the approved budget was not provided for audit review.

In the circumstances, the accuracy and completeness of the statement of comparison of budget and actual amounts could not be confirmed.

7. Unconfirmed Rent Expenditure

The statement of financial performance reflects use of goods and services amount of Kshs.25,341,609 which as disclosed in Note 10 to the financial statements includes boarding expenses amount of Kshs.3,508,842. Included in this amount is Kshs.387,000 paid to a landlord in respect of hostels rent. However, review of lease agreement supporting the expenditure revealed that the agreement had lapsed on 26 October, 2022 and had not been renewed.

In the circumstances, the accuracy and regularity of hostels rent amounting to Kshs.387,000 could not be confirmed.

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

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

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Staff Ethnic Diversity

Review of payroll records revealed that, as at 30 June, 2024, the College had a total of forty-nine (49) employees. However, out of the total number, forty-two (42) employees or

86% were from one ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that no public establishment shall have more than one third of its staff from one ethnic community.

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

2. Non-Compliance with Law on Occupational Safety and Health

Audit review of the College's occupational safety and health environment revealed that the College had not established a safety and health committee at the workplace as required under Section 9(1) of the Occupational Safety and Health Act, 2007. Further, Management did not provide a safety and health audit report for audit review. This was contrary to Section 11(1) of the Occupational Safety and Health Act, 2007 which provides that the occupier of a workplace shall cause a thorough safety and health audit of his workplace to be carried out at least once in every period of twelve months by a safety and health advisor.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of 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 governance were not effective.

Basis for Conclusion

1. Operating Without an Approved Staff Establishment

The statement of financial performance reflects an amount of Kshs.8,559,839 in respect of employee costs. However, audit verification carried out revealed that the College did not have an approved staff establishment during the year, and therefore the optimal staffing levels for all cadres of staff had not been established.

In the circumstances, the effectiveness of human resource management could not be confirmed.

2. Lack of Board Charter and Performance Evaluation

The statement of financial performance reflects Board expenses amount of Kshs.1,140,915 as disclosed in Note 13 to the financial statements. However, review of documentation in support of composition and operations of the Board revealed the following anomalies:

- i. The College's Board operated without a charter contrary to Mwongozo Code of Governance for State Corporations which require that the Board of Directors should develop and adopt a Board Charter which defines the roles, responsibilities and functions of the Board and the Board should periodically review its Board Charter.
- ii. There was no documentary evidence provided for audit review indicating that evaluation of performance of individual Board members was done and report shared with relevant stakeholders. This was contrary to Part 1.12(1)(b) of Mwongozo Code which provides that the Board should undertake an annual evaluation of its performance and share its report with relevant stakeholders.
- iii. Review of records provided indicated that the first terms of three Board Members ended on 5 October, 2021 and were re-appointed for a second term through appointments letters dated 17 March, 2022. However, no records were provided for audit review on their performance evaluation. Therefore, it was not possible to ascertain whether they were qualified for re-appointment contrary to Part 1.5(2) of the Mwongozo Code of Governance which states that the renewal of a board member's tenure should be subject to a favorable evaluation.

In the circumstances, effectiveness of the College's governance could not be confirmed.

3. Lack of Internal Audit Function

During the year under review, the College did not have an internal audit function and internal audit committee. This was contrary to Section 73 (1)(a) of the Public Finance Management Act, 2012 which provides that every national Government entity shall 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 College's internal controls could not be confirmed.

4. Inventories Management Internal Control Weaknesses

The statement of financial position reflects inventories balance of Kshs.3,334,355. However, physical inspection of the store revealed inadequate storage space and inventories items were stored on the floor thereby exposing them to damage. Further, inventories management policy was not provided for audit review.

In the circumstances, the effectiveness of internal controls on inventories management 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 the Management and the Board of Governors

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

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

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

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

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

Auditor-General's Responsibilities for the Audit


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

to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 March, 2025

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

13. Statement of Financial Performance For The Year Ended 30 June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6	12,369,925	8,270,000
Transfers from other levels of government	6	17,248,775	4,537,067
Total Revenue from Non exchange transactions		29,618,700	12,807,067
Revenue from Exchange transactions			
Rendering of services- fees from students	7	21,174,123	20,384,970
Sale of goods	8	804,570	8,500
Other income	9	3,000	10,000
Revenue from Exchange transactions		21,981,693	20,403,470
Total Revenue		51,600,393	33,210,537
Expenses			
Use of goods and services	10	25,341,609	17,383,517
Employee costs	11	8,559,839	5,217,429
Board Allowance	12	1,140,915	719,430
Depreciation and amortization expense	13	13,440,210	12,750,500
Repairs and maintenance	14	957,910	1,169,323
Contracted services	15	-	90,000
Bank Charges	16	25,278	22,095
Total Expenses		49,465,762	37,352,294
Net surplus/(deficit) for the year		2,134,631	(4,141,758)

(The notes set out on pages 6 to 32 form an integral part of the Annual Financial Statements).

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

14. Statement of Financial Position As At 30th June 2024

Description	Notes	2023-2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	670,139	1,261,362
Current portion of receivables from exchange transactions	18	29,742,275	17,927,993
Receivables from exchange transactions	19	11,082,150	4,750,067
Inventories	20	3,334,355	298,295
Total Current Assets		44,828,919	24,237,717
Non-Current Assets			
Property, plant, and equipment	21	117,928,582	129,143,875
Intangible assets	22	1,170,293	783,490
Total Non-Current Assets		119,098,875	129,927,365
Total Assets		163,927,794	154,165,082
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	23	5,799,106	2,092,353
Refundable deposits from customers	24	6,221,565	2,300,236
Total Current Liabilities		12,020,671	4,392,589
Total Liabilities		12,020,671	4,392,589
Represented By:			
Revaluation Reserves		116,834,000	116,834,000
Accumulated Surplus		(27,870,710)	(30,005,341)
Capital Fund		62,943,833	62,943,833
Total Reserves		151,907,123	149,772,492
Total Liabilities And Reserves		163,927,794	154,165,081

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



.....
Francis Rambui
Chairman of Council/Board

Date:11-03-2025



.....
Emmanuel Wamalwa
Principal

Date:11-03-2025



.....
Immaculate Namwakira
Finance Officer
ICPAK No. 28178

Date:11-03-2025

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

15. Statement of Changes in Net Asset For The Year Ended 30 June 2024

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2022		12,925,305	62,943,833	75,869,138
Revaluation gain	116,834,000	-	-	116,834,000
Surplus/(deficit) for the year	-	(4,141,758)	-	(4,141,758)
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	(38,788,888)	-	(38,788,888)
At June 30, 2023	116,834,000	(30,005,341)	62,943,833	149,772,492
At July 1, 2023	116,834,000	(30,005,341)	62,943,833	149,772,492
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	2,134,631	-	2,134,631
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	116,834,000	(27,870,710)	62,943,833	151,907,123

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2024

16. Statement of Cash Flows For The Year Ended 30 June 2024

Description		2023-2024	2022-2023
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6	18,536,550	8,270,000
Rendering of services- fees from students	7	11,147,824	10,102,476
Sale of goods	8	804,570	8,500
Other income	9	3,000	10,000
Total Receipts		30,491,944	18,390,976
Payments			
Use of goods and services	10	20,234,805	17,383,517
Employee costs	11	7,867,537	5,217,429
Board Allowance	12	1,140,915	719,430
Repairs and maintenance	14	957,910	1,169,323
Contracted services	15	-	90,000
Bank Charges	16	25,278	22,095
Total Payments		30,226,446	24,601,794
Net Cash Flows from operating activities		265,498	(6,210,818)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	21	(856,721)	(1,775,703)
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(856,721)	(1,775,703)
Cash flows from financing activities			
Proceeds From Borrowing		-	-
Repayment Of Borrowings		-	-
Net cash flows used in financing activities		-	-
Net Increase/(Decrease) in Cash and Cash equivalents		(591,223)	(7,986,522)
Cash and Cash equivalents at 1 JULY		1,261,361	9,247,883
Cash and Cash equivalents at 30 JUNE 2024		670,139	1,261,361

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis		Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Revenue						
Transfers from other National Government entities	12,600,000	-	12,600,000	12,369,925	230,075	98%
Transfers from other levels of government	14,737,350	-	14,737,350	17,248,775	(2,511,425)	117%
Rendering of services-fees from students	17,793,000	-	17,793,000	21,174,123	(3,381,123)	119%
Sale of goods	717,532	-	717,532	804,570	(87,038)	112%
Other income	6,000	-	6,000	3,000	3000	50%
Total Income	45,853,882	-	45,853,882	51,600,393	(5,746,511)	113%
Expenses						
Use of goods and services	32,838,382	-	32,838,382	25,341,609	7,496,773	77%
Employee costs	8,155,000	-	8,155,000	8,559,839	(404,839)	105%
Board /Council Expenses	3,34,3000	-	3,34,3000	1,140,915	2,202,085	34%
Repairs and maintenance	1,382,500	-	1,382,500	957,910	424,590	69%
Depreciation And Amortization	-	-	-	13,440,210	(13,440,210)	0%
Contracted services	100,000	-	100,000	-	100,000	0%
Bank Charges	35,000	-	35,000	25,278	9,722	72%
Total Expenditure	45,853,882	-	445,853,882	49,465,762	(3,611,880)	108%
Surplus For the Period	-	-	-	2,134,631	(2,134,631)	

(Budget notes)

1. There are differences between the budgeted figures and the actual figures due to non attainment 100% achievement

2. There were no adjustments of the budgeted figures during the financial year

18. Notes to the Financial Statements

1. General Information

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

2. Statement of Compliance and Basis of Preparation

The financial statements of Bunyala TVC 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 of Bunyala TVC was prepared in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *Bunyala TVC* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Bunyala 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. New and amended standards and interpretations in issue effective in the year ended 30 June 2024.

There are no new standards in the year ended 30th June 2024

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>The standard does not have an impact on Bunyala TVC</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. <i>The standard does not have an impact on Bunyala TVC</i>
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <i>This standard is not relevant on Bunyala TVC financial report</i>
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by:

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	<p>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under they should be used.</p> <p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>The standard is not applicable on Bunyala TVC</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>The standard is not applicable on Bunyala TVC</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>The standard is not applicable on Bunyala TVC</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>The standard is not applicable on Bunyala TVC</i></p>

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. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

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

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the Council or Board on *1/7/2024*. 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 to conclude the final budget. Accordingly, the entity recorded additional appropriation on the FY 2023/2024 budget following the Council/ Board's approval. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on 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 on page 6 of these financial statements.

c) Taxes

Current income tax

The entity is exempt from paying taxes as per schedule *10* of the *Income Tax Act*.

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

e) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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) Intangible assets

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

g) Research and development costs

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

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

- The ability to measure reliably the expenditure during development.

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

h) Financial instruments

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

Financial assets

Classification

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Financial liabilities

Classification

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

i) Inventories

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

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

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

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.

Inventories

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

j) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

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

Contingent assets

Bunyala TVC 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.

k) Social Benefits

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

l) Nature and purpose of reserves

Bunyala TVC creates and maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

Bunyala TVC 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

Bunyala TVC provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

o) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

p) Related parties

Bunyala TVC 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.

q) Service concession arrangements

Bunyala TVC analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured

at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

r) Cash and cash equivalents

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

s) Comparative figures

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

t) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the *Entity*.

- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

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

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6. (a) Transfers from other National Government entities

Description	2023-2024	2022-2023
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	12,369,925	8,720,000
Total Government Grants and Subsidies	12,369,925	8,720,000

(b) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	Comparative FY 2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	12,369,925	0	0	12,369,925	8,720,000
Total	12,369,925	-	-	12,369,925	8,720,000

The details of the reconciliation have been included under appendix III

(c) Transfers from Other Levels of Government

Description	2023-2024	2022-2023
	Kshs	Kshs
NYS	12,704,900	4,537,067
KCB Foundation	4,543,875	-
Total Transfers	17,248,775	4,537,067

7. Rendering of Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Invoiced fees from Students		
Class of 2018	16,300	78,610
Class of 2019	192,140	224,550
Class of 2020	227,460	118,060
Class of 2021	4,667,983	3,953,400
Class of 2022	4,802,816	7,026,020
Class of 2023	7,796,014	8,984,330
Class of 2024	3,471,410	-
Total Revenue from The Rendering of Services	21,174,123	20,384,970

8. Sale of Goods

Description	2023-2024	2022-2023
	Kshs	Kshs
Tractor hire	-	8,500
Bakery unit	799,570	-
Sale of tenders	5,000	-
Total Revenue from Sale of Goods	804,570	8,500

9. Other Income

Description	2023-2024	2022-2023
	Kshs	Kshs
Water Bowser	3,000	10,000
Total	3,000	10,000

The college has a water bowser that generates revenue as part of Appropriation In Aid

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10. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Boarding Expenses	3,508,842	1,552,968
Stationery	1,138,576	501,054
DSTV Subscription	64,947	23,400
Internet	21,724	476,000
Tuition Expenses	5,941,114	5,185,912
Local Transport & Travel	2,746,510	2,215,823
Activity Expenses	1,636,005	1,783,840
Electricity ,Water & Conservancy	1,417,846	747,950
Medical Expenses	33,750	3,800
Marketing & Publicity	973,925	472,820
Examination Expenses	2,682,050	2,038,290
Administration Expenses	926,927	845,657
Tender Expenses	32,574	20,700
Tractor Expenses	54,425	67,000
Industrial Attachment	428,000	323,650
Production Unit		64,050
Insurance	18,400	53,130
Regulatory Bodies	669,802	403,250
Student Council Expenses	388,277	231,310
Airtime	369,100	172,300
Software installation		50,000
Staff Uniform		44,486
Development		106,127
Production Unit-Bakery	1,986,227	-
Postage	18,750	-
Tree Planting Expenses	253,231	-
Student ID	29,000	-
WHT	1,607	-
Total good and services	25,341,609	17,383,517

11. Employee Costs

Description	2023-2024	2022-2023
	Kshs	Kshs
Salaries and wages	6,092,109	4,049,626
Staff Training	751,260	1,000
Staff Expenses	251,235	231,585
HELB	223,136	163,723
Staff Welfare	82,400	14,800
NHIF	168,730	194,250
PAYE	71,015	22,170
NSSF	478,559	528,375
NITA	19,850	11,900
Housing Levy	152,425	0
Staff Uniforms	269,120	0
Employee Costs	8,559,839	5,217,429

12. Board Allowance

Description	2023-2024	2022-2023
	Kshs	Kshs
BOG Sitting Allowances	567,500	300,300
BOG Transport Allowance	270,800	294,000
BOG Meals	80,615	37,130
BOG Induction	-	51,000
Chairman's airtime	6,000	9,000
BOG per diem	201,000	28,000
Chairman's Honoraria	15,000	-
Total	1,140,915	719,430

13. Depreciation and Amortization expense

Description	2023-2024	2022-2023
	Kshs	Kshs
Building	1,427,668	1,425,733
Computers	484,280	475,614
Furniture & Fittings	264,250	251,188
Office Equipment	198,593	117,489
Agricultural Machinery	9,697,222	9,697,222
Intangible assets	1,368,197	783,255
Total depreciation and amortization	13,440,210	12,750,501

14. Repairs and Maintenance

Description	2023-2024	2022-2023
	Kshs	Kshs
General Repairs	957,910	1,169,323
Total Repairs and Maintenance	957,910	1,169,323

15. Contracted Services

Description	2023-2024	2022-2023
	Kshs	Kshs
Security Services	-	90,000
Total contracted services	-	90,000

16. Bank Charges

Description	2023-2024	2022-2023
	Kshs	Kshs
KCB-Fees Account	22,969	15,785
KCB -Operations Account	126	1,251
KCB-Production Unit	2,183	5,059
Total Bank Charges	25,278	22,095

17. Cash and Cash Equivalents

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Account	670,139	1,261,253
Others (Cash in Hand)	-	109
Total Cash and Cash Equivalents	670,139	1,261,362

17 (b). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Current Account			
KCB Fees	1252563736	364,140	1,254,339
KCB Operations	1252563639	2699	2,825
KCB Production Unit	1252563787	303,300	4,088
Sub- Total		670,139	1,261,252
b) Others			
Cash in Hand		-	109
Sub- Total		-	109
Grand Total		670,139	1,261,362

18. Receivables from Exchange transactions

Current Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Student Debtors		
Class of 2018	7,300	45,910
Class of 2019	80,540	179,930
Class of 2020	6,770	101,940
Class of 2021	830,490	3,573,823
Class of 2022	8,217,936	5,058,410
Class of 2023	10,793,043	8,967,980
Class of 2024	9,806,196	-
Total Current Receivables	29,742,275	17,927,993

18 (b) Ageing Analysis of Receivables from Exchange transactions

	2023-2024		2022-2023	
	Kshs		Kshs	
	2024	% of the total	2023	% of total
Less than 1 year	-	%	8,967,980	50%
Between 1- 2 years	20,599,239	69.26 %	8,632,233	48%
Between 2-3 years	8,217,936	27.63 %	281,870	1.6%
Over 3 years	925,100	3.11 %	45,910	0.3%
Total (a+b)	29,742,275	100 %	17,927,993	99.90%

19. Receivables from Exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
National Youth Service(NYS)	8,847,900	4,537,067
KCB Foundation	2,234,250	-
Staff Debtors(Salary Advance)	-	213,000
Total Current Receivables	11,082,150	4,750,067

20. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Central stores	3,334,355	298,295
Total Inventories at lower of Cost and Net Realizable Value	3,334,355	298,295

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21. Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Office equipment	Farm Machinery	Capital Work in progress	Total
		2.50%	12.50%	33.33%	12.50%	8.3%		
	Kshs	Kshs	Kshs	Kshs	Kshs		Kshs	Kshs
At 1 July 2022	5,200,000	57,029,335	2,009,500	490,800	300,390	116,834,000	-	181,864,025
Additions	-	-	-	936,184	639,520	-	-	1,575,704
Disposals	-	-	-	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-	-	-	-
At 30th June 2023	5,200,000	57,029,335	2,009,500	1,426,984	939,910	116,834,000	-	183,439,729
Additions	-	77,384	104,500	26,000	648,837	-	-	856,721
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
At 30th June 2024	5,200,000	57,106,719	2,114,000	1,452,984	1,588,747	116,834,000	-	184,296,450
Depreciation And Impairment								
At 1 July 2022	-	2,823,030	440,263	205,209	71,219	-	-	3,539,721
Depreciation	-	1,425,733	251,188	475,614	117,489	9,697,222	-	11,967,245
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	38,788,888	-	38,788,888
At 30 Jun 2023	-	4248764	691,451	680,823	188,708	48,486,110	-	54,295,855
Depreciation	-	1427668	264,250	484,280	198,593	9,697,222	-	12,072,013
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
At 30th Jun 2024	-	5,676,432	955,701	1,165,102	387,301	9697222	-	66,367,868
Net Book Values								
At 30th Jun 2023	5,200,000	52,780,571	1,318,050	746,161	751,202	68,347,890	-	129,143,874
At 30th Jun 2024	5,200,000	51,430,287	1,158,300	287,882	1201446	58,650,668	-	117,928,582

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22 (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	5,200,000	-	5,200,000
Buildings	57,106,719	5,676,432	51,430,287
Office Equipment	1,588,747	387,301	1,201,446
Computers and Related Equipment	1,452,984	1,165,102	287,882
Furniture, And Fittings	2,114,000	955,701	1,158,300
Agricultural Machinery	116,834,000	58,183,332	58,650,668
Total	184,296,450	66,367,868	117,928,583

22. Intangible Assets

Description	2024	2023
	Kshs	Kshs
Cost		
At beginning of the year	2,350,000	2,350,000
Additions	1,755,000	-
At end of the year	4,105,000	2,350,000
Additions—internal development	-	-
At end of the year	4,105,000	2,350,000
Amortization and impairment		
At beginning of the year	1,566,510	783,255
Amortization 33.33%	1,368,197	783,255
At end of the year	2,934,707	1,566,510
Impairment loss	1,170,293	783,255
At end of the year	2,934,707	1,566,510
NBV	1,170,293	783,490

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23. Trade and Other Payables

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade payables	5,106,804		1,543,314	
Salaries & Wages	692,302		549,039	
Total Trade and Other Payables	5,799,106		2,092,353	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	-	%	-	-
1-2 years	5,799,106	100%	2,092,353	100%
2-3 years	-	%	-	-
Over 3 years	-	%	-	-
Total (to tie to totals above)	5,799,106	100%	2,092,353	100%

24. Refundable Deposits from Customers/Students

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Prepaid Student fees	6,109,565		1,622,236	
Caution money	112,000		678,000	
Total Deposits	6,221,565		2,300,236	
Ageing analysis:	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	-	%	56,695	2.46%
1-2 years	2,495,511	40%	1,216,310	52.88%
2-3 years	1121764	18%	292,995	12.74%
Over 3 years	2604290	42%	734,236	31.92%
Total	6,221,565	100%	2,300,236	100%

The entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently per employee per month. Other than NSSF Bunyala TVC has no defined contribution scheme operated by Pension Fund. Employees contribute 6% while employers contribute 6% of gross salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

25. Financial Risk Management

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

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

(i) Credit risk

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

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

Financial risk management

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

The entity has significant concentration of credit risk on amounts due from 2018.

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

(iii) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of

financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

iv) Capital Risk Management

The objective of the entity's capital risk management is to safeguard the entity's ability to continue as a going concern.

26. Related Party Balances

Nature of related party relationships

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

Government of Kenya

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

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;
- v) Budalangi CDF
- vi) KCB Foundation

27. Events After The Reporting Period

There were no material adjusting and non-adjusting events after the reporting period ended 30th June, 2024.

28. Ultimate And Holding Entity

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

29. Currency

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

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19. 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 FY 2021/2022.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Property, Plant and Equipment-Unsupported Additions to Buildings	The statement of financial position reflects a balance of Kshs.61490,305 in respect of property plant and equipment which as disclosed under Note 22(a) to the financial statements, includes an amount of Kshs.2,973,622 representing additions during the year .Further ,the amount of Kshs.2,973,622 includes Kshs.2,433,039 relating to construction of a tractor shed and pit latrine .However ,the Bills of Quantity ,Completion and handing over certificates were not provided for audit review. In the circumstances , the accuracy and completeness of the balance Kshs.2,973,622 included in the property ,plant and equipment balance of Kshs. 61,490,305 could not be confirmed.	The management appreciates the observations made on additional Property, Plant and Equipment and the asset additions schedule has been provided ,Bills of Quantity and completion certificates for the tractor shade and pit latrine have been provided. Annex 1 (a) Copy of assets additions schedule (b) Copy of Bill of Quantity of the pit latrine and tractor shade (c) Copy of completion certificates of the pit latrine and tractor shade	<i>Resolved</i>	-
2.Budgetary Control and Performance	The Statement of comparison of budget and actual amounts reflects total actual revenue on comparable basis of Kshs.37,212,188 and total revenue budget of Kshs. 47,552,081 resulting to	The under expenditure was due to capitation not fully disbursed we expected to be disbursed Kshs 17.640,000 but received Kshs 11,715,000. The expected 45 NYS Trainees fees collection amounting to Kshs. 6.516.000 as budgeted for was not realized as only 21 NYS Trainees were sent resulting to fees collection of Kshs 3,040,800. Poor	<i>Resolved</i>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	underfunding of Kshs.9,639,893 or 20% of the budget. Similarly, the actual expenditure was Kshs. 35,266,458 against final budget of Kshs. 49,236,881 resulting to under-expenditure of Kshs.12,292,606 or 24% of the budget.	fees payment by students due to total dependence on CDF/County government bursaries that account for very little money ,HELB and government capitation . Tractors failed to plough targeted farms due to challenges of getting relevant spare parts in Kenya Annex 2 a) Copy of capitation received b) Copy of budget		
3.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 of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.	This was an oversight and going forward this will be implemented in subsequent years	Resolved	-
4.Failure to Follow Public Procurement and Disposal Act, 2015	The statement of financial performance reflects a balance of Kshs.23,872,687 in respect of use of goods and service which, as disclosed under Note 11 to the financial statements. Included is an amount of Kshs.6,245,294, Kshs.2,505,260 and Kshs.950,850 relating to examination expenses, boarding expenses and stationery respectively. The respective amounts include Kshs1,776,537, Kshs.861,543 and Kshs 837,420 that were not in the annual procurement plan and which were procured through direct	The Management appreciates the issues noted on the particular transactions. However, the Management provides documentation to show that efforts were put in to comply with the law as much as circumstances allowed. The minutes and procurement plan is also provided to support the legality and approval of the expenses. Current processes have been reviewed and officers appraised on the need for compliance to the laws and regulations on legality and authorization before transactions are entered into. Annex 3 a)Minutes of the the procurement process b) Procurement plan c)Request for Quotations samples	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																
	procurement. This was contrary to the Section 91(1) and (2) of the Public Procurement and Assets Disposal Act, 2015 which states that open tendering shall be the preferred procurement method for procurement of goods, works and services and the procuring entity may use an alternative procedure only if that procedure is allowed and satisfies the conditions under the Act.																																			
5. Staff Ethnic Diversity	Review of human resource records revealed that during the year under review, the college had a total of 63 employees. However, 50 employees or 70% of the total employees were from the same ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.	<p>The Management is currently reviewing staff biodata, pay and pay grades. The aim is to come up with competitive remuneration and fitting job descriptions to attract staff from all over the Country and to ensure that the host community does not provide 100% of the staff. We have provided a list of all staff in the College and currently the composition is as follow:</p> <table border="1" data-bbox="1070 930 1541 1182"> <thead> <tr> <th>S/No</th> <th>Tribe</th> <th>No. of staff</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Luhya</td> <td>50</td> <td>73.5 %</td> </tr> <tr> <td>2</td> <td>Luo</td> <td>10</td> <td>14.7%</td> </tr> <tr> <td>3</td> <td>Kisii</td> <td>2</td> <td>2.9 %</td> </tr> <tr> <td>4</td> <td>Kalenjin</td> <td>4</td> <td>5.9 %</td> </tr> <tr> <td>5</td> <td>Kamba</td> <td>1</td> <td>1.5%</td> </tr> <tr> <td>6</td> <td>Teso</td> <td>1</td> <td>1.5%</td> </tr> <tr> <td></td> <td>Total</td> <td>68</td> <td>100 %</td> </tr> </tbody> </table> <p>The management commits to comply with the National Cohesion and Integration Act No. 12 of 2008 Section 7(1) and (2). As the College continues with its recruitment and growth, we will endeavor through merit to ensure that no ethnic community represents more than one third of the staff establishment.</p>	S/No	Tribe	No. of staff	Percentage	1	Luhya	50	73.5 %	2	Luo	10	14.7%	3	Kisii	2	2.9 %	4	Kalenjin	4	5.9 %	5	Kamba	1	1.5%	6	Teso	1	1.5%		Total	68	100 %	Resolved	
S/No	Tribe	No. of staff	Percentage																																	
1	Luhya	50	73.5 %																																	
2	Luo	10	14.7%																																	
3	Kisii	2	2.9 %																																	
4	Kalenjin	4	5.9 %																																	
5	Kamba	1	1.5%																																	
6	Teso	1	1.5%																																	
	Total	68	100 %																																	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Annex 4 Copy of current staff establishment		

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 the implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to the National Treasury.



Name: Emmanuel Wamalwa
 Accounting Officer
 Principal
 Date 03-03-2025

Appendix II- Inter-Entity Confirmation Letter

Name of transferring entity: MINISTRY OF EDUCATION

Name of beneficiary entity: BUNYALA TECHNICAL AND VOCATIONAL COLLEGE

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Confirmation of amounts received by Bunyala Technical And Vocational College as at 30 th June 2024					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
1	30/06/2023	3,540,000	-	3,540,000	
2	02/10/2023	3,066,000	-	3,066,000	
3	18/01/2024	3,097,500	-	3,097,500	
4	03/06/2024	2,666,425	-	2,666,425	
Total		12,369,925		12,369,925	

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

Head of Accounts Department - Disbursing Entity:

Name..... Sign Date

Head of Accounts Department - Beneficiary Entity:

Name EMMANUEL WAMALWA..... Sign  Date...03-03-2025.....