

REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE

FOR THE YEAR ENDED
30 JUNE, 2025

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 APR 2026	DAY: WEDNESDAY
TABLED BY:	HON. DR. ROBERT PUKOSTE, MP
CLERK-AT THE-TABLE:	CHRISTINE NDIRITU



BUNYALA TECHNICAL AND VOCATIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENT

**FOR THE YEAR ENDED
30TH JUNE 2025**

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Table of Contents

1.	Acronyms and Definition of Key Terms.....	ii
2.	Key Entity Information and Management.....	iii
3.	The Board of Governors	vi
4.	Key Management Team	ix
5.	Chairman's Statement	xii
6.	Report of Senior Principal	xiv
7.	Statement of Performance against Predetermined Objectives	xvii
8.	Corporate Governance Statement.....	xxvii
9.	Management Discussion and Analysis Operational & Financial Performance.....	xxxiv
10.	Environmental and Sustainability Reporting Statement	xxxix
11.	Report of The Board of Governors.....	xlvi
12.	Statement of Board of Governors	xlvi
13.	Report of the Independent Auditor on Bunyala Technical and Vocational College	xlvi
14.	Statement of Financial Performance for the Year Ended 30 June 2025	1
15.	Statement of Financial Position as At 30th June 2025	3
16.	Statement of Cash Flows for The Year Ended 30 June 2025	5
17.	Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025.....	6
18.	Notes to the Financial Statements	7
19.	Appendices	35

1. Acronyms and Definition of Key Terms

A. Acronyms

BOG	Board of Governors
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
TTI	Technical Training Institute
TTC	Teacher Training College
TVC	Technical Vocational College
KRA	Key Result Areas
KICD	Kenya Institute of curriculum developmen
CDACC	Curriculum Development Assessment and Certification Centre
KASNEB	Kenya Accountamncy and Secretaries National Examination Board
KUCCP	Kenya University and College Central Placement
CBET	Competence Based Education Traing
TVET	Technical and Vocational Education Training
KNEC	Kenya National Examination Council
NITA	National Industrial Training Authority
PAYE	Pay as You Earn
HEF	Higher Education Funding
SHOFCO	Shining Hope for Communities

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

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 six non-academic departments including the Finance, Procurement and Store, Career Service, Grounds, Security, Ombudsman. The academic departments are Automotive/Mechanical Engineering, Electrical and Electronics Engineering, Building and Civil Engineering, Hospitality and Institutional Management, Business and Liberal Studies, Computing and informatics and Agriculture other non-academic departments are Registrar, Dean of Students, Industrial Liaison, Transport and Machine Maintenance, Production Unit and Grounds.

(b) Principle Activities

The principle 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), Curriculum Development Assessment and Certification Council (CDACC) and 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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

- 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 2025 and who had direct fiduciary responsibility were:

Sn.	Designation	Name
1.	Principal	Mr. Wasilwa Juma
2.	Deputy Principal Administration	Mr. Musumba Oduor Keffa
3	Deputy Principal Academics	Ms. Jane Ochung Awino
4	Registrar	Mr. Winslaus Otunga
5	Dean Of Students	Mr. Fredrick Were
6	Head Of Finance	Mr. Eric Amondo
7	Procurement Officer	Mr Simon Sinjagi

4

Key Entity Information and Management (Continued)

(e) Fiduciary Oversight Arrangements

Name of Committee	Members
Audit and Risk Committee	1. Mr. Ekuot David 2. Ms. Nakhulo Henrietta – Chairperson 3 .Mr. Norbert Musina – Internal Auditor
Finance and operations	1. Mr. Kemboi K. Josphat - Chairperson 2. 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

(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) 0717642548
E-mail: bunyalatv@gmail.com
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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025



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>

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025




<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. Managing Director Busia Sugar for 2 years</p>
<p>6.</p>	 <p>Dr. Daniel Ochoro, M.BA</p>	<p>Born on 27th September 1960 PhD Research and sustainable development 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 Over 25 years' experience in agriculture industry working at the Nzoia Sugar Co.</p>

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025




<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>9.</p>	 <p>Mr. Wasilwa Juma</p>	<p>Born on 30th June 1968 Holder of BBM (Purchasing & supply chain Management), Dip in Business Administration, Dip in Tec Ed. and Senior Management Course. Senior Principal/Secretary BoG. Over 28 years' experience in teaching and 18 years in administration in TVET institutions.</p> <p>He is not a member of Institute of Certified Secretaries.</p>

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025


Key Management Team

No.	Member	Details
1.	 <p>Mr. Wasilwa Juma Senior Principal</p>	<p>DoB 30th June 1968</p> <p>Key qualifications</p> <ol style="list-style-type: none"> 1. Bachelor of business management (purchasing and supply chain management) 2. Diploma in technical education 3. Diploma in business administration 4. Kenya advanced certificate education [1988 - 1989] 5. Kenya certificate of education [1984 - 1987] <p>Work experience</p> <ol style="list-style-type: none"> 1. 1997 - 1999 trainer at kitale tti 2. 2000 - teacher at kabuyefwe secondary school 3. 2001 - 2020 a trainer at sigalagala national polytechnic 4. 2021 - 2024 deputy principal administration at Bumbe national polytechnic 5. 2024 to date Principal at bunyala tvc
2.	 <p>Mr Musumba Oduor Keffa</p>	<p>Deputy Principal, Administration, A trainer from 2003, Examination officer Bumbe TTI 2018, Deputy principal administration Bunyala TVC 2019-2025.</p>
3.	 <p>Deputy Principal Academics Ms. Jane Ochung Awino</p>	<p>D.O.B 13TH August 1968</p> <p>Key Qualification MA Linguistics Maseno University BED ARTS (Eng/Lit)-MOI University Senior Management Course- KSG</p> <p>Work Experience 2025 Deputy Principal Academics Bunyala TVC 2022-2025 Deputy Principal Siruti TVC 2021-2022 Dean of Students Kisumu Poly 2019-2021 Deputy HoD Liberal 2017-2019 Trainer Kisumu Poly 1993-2017 teacher TSC (Sec Sch)</p>

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

4.	 <p>Mr. Winslaus Otunga. B.Sc Registrar</p>	<p>D.O.B: 13th June 1978</p> <p>Key Qualifications Moi University - BSc Computer Science</p> <p>Work Experience: 2020 – DATE: REGISTRAR, ICT Trainer - Bunyala TVC 2012 - 2019: Computer Studies - Teacher- Misikhu Friends Secondary School 2017-2018: ICT Tutor - Pamus Teachers Training College 2015- 2016: Computer studies teacher – Emusire High School</p>
5.	 <p>Dean of Students Mr. Fredrick Were. B.Sc</p>	<p>D.O.B: 1981</p> <p>Key Qualification: Technical University of Mombasa- BSc Mechanical Engineering</p> <p>Work Experience: 2021 to date Dean of students, mechanical engineering trainer Bunyala TVC 2019-2021- Industrial Liaison officer Bunyala TVC 2017-2018- Technical Operator, liquid processing Bidcoro, Nairobi 2015-2017 - Inspector vehicle assembly, Associated Vehicle Assemblers, Mombasa.</p>
6.	 <p>Procurement Officer Mr. Simon Sinjagi Nandambala</p>	<p>DoB 24TH JUNE 1992</p> <p>Key qualification: Bachelor of procurement and supply chain management</p> <p>Work experience: March 2021 To date - Procurement Officer Bunyala TVC 2021-september 2021- Procurement officer Bunisha LTD April 2019-Jan 2021- Stores Supervisor Health U200 LTD May 2017-2019- Supply chain Assistant Kenya Power</p>

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

7	 <p>Finance Officer Mr Eric Amondo</p>	<p>DoB 17th August 1984</p> <p>Key Qualifications Bachelor of commerce(Accounting Option) CPA(K)</p> <p>Work Experience 2024 to date- Finance officer Bunyala TVC 2013-2024-Accountant Skylink College of Accountacy- Bungoma 2011-2013- Station Manager -Magharibi Filling Station 2009-2010- Cane Development Accountant West Kenya Sugar Company- Kabras</p>
---	---	---

3. Chairman's Statement

The year under review has been generally productive for Bunyala TVC, particularly in the areas of training and staff development. Academic performance across most departments was commendable. We sincerely thank the government, through the State Department, for assigning seven (7) trainers to the college. This move significantly helped to ease our wage bill. We anticipate the deployment of additional trainers in the upcoming recruitment cycle. While this will not entirely bridge the staffing gap, it will certainly narrow it. At present, the Board has employed 24 trainers, bringing the total number of trainers to 55, serving a student body of 1,354. The college Board consist of nine members of whom one is an executive member while the rest are non-executive members. The board has been organized into three committees namely:

- I. Risk and Audit committee
- II. Finance, planning and development committee
- III. Academic, human resource and welfarecommittee

The 2024/25 financial year marked the beginning of meaningful partnerships. We are especially grateful to our area Member of Parliament for his continued support, which led to the completion of key infrastructural projects—paving the main access road with Cabro blocks.

The Board has remained active and cooperative, attending meetings regularly and contributing positively by making recommendations and exploring new strategies to boost our Appropriations-in-Aid (A-in-A). We remain committed to forming alliances with both local and international development partners to ensure the college remains stable—financially, socially, and emotionally—especially for our staff and leadership. To this end, we continue to enjoy a strong partnership with the KCB Foundation, which has supported nearly 400 students since 2020. We also appreciate our collaborations with Dhamira and SHOFCO (Shining Hope for Communities), who have recently joined in sponsoring students.

Our student body is known for its discipline and is ably led by a knowledgeable and proactive student governing council.

A major challenge we continue to face is the limited access to clean water for drinking and general use. Currently, water is transported daily from the lake using a water bowser, which puts a financial strain on the institution. We are actively seeking funding through income-generating activities, government capitation, and donor support to resolve this issue permanently. Our target is to have this challenge addressed by the end of the 2025/2026 financial year.

Other significant hurdles include inadequate classrooms, limited land for expansion, and a high wage bill. Plans are underway to raise funds through cost-saving measures and partnerships with development organizations to construct at least five new classrooms and acquire additional land. We are also optimistic that the government will continue deploying trainers to lessen the financial burden and help lower our wage bill.

Despite these challenges, we are encouraged by the unwavering support from the local community, which has provided us with a peaceful and conducive working environment. With

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

such unity and goodwill, we are confident that no challenge is insurmountable, and we are well-equipped to overcome any obstacles that may arise.



Mr. Francis Rambui
Chairman BoG

4. Report of Senior Principal

We begin by giving glory to the Almighty God for the progress our institution continues to make. Since its establishment eight years ago, our college has witnessed remarkable strides in student enrolment, staff recruitment, and infrastructural development.

Currently, we have a total student population of 1,354 pursuing various academic programs. The institution comprises seven academic departments: Automotive Engineering, Building and Civil Engineering, Electrical and Electronics Engineering, Hospitality and Institutional Management, Computing and Informatics, Business Studies/Liberal and Agriculture. With an anticipated increase in staffing, we plan to restructure some departments in the near future. Additionally, we have six non-academic departments including: Registrar, Dean of Students, Industry Liaison, Guidance and Counselling, Procurement, Internal Quality Assurance (IQA), Care Service and Finance. The posting of the Deputy Principal in charge of Academics, who reported in March, 2025, further strengthened our leadership. Through teamwork and alignment with our strategic plan, all departments have played an integral role in advancing the college's mission.

In June 2025, the students' council conducted its fifth election in a peaceful exercise overseen by the Independent Electoral and Boundaries Commission (IEBC) – Budalang'i Constituency. This calm and democratic process was largely due to the commendable discipline among our learners. Plans are underway to conduct leadership training for the newly elected council in August, followed by a benchmarking tour to another TVET institution. This exposure is aimed at equipping them with leadership competencies and enhancing their governance skills.

Academic performance has seen consistent improvement across national examinations, although challenges persist—particularly in relation to inadequate funding. Limited finances have hindered the procurement of essential training materials, a critical aspect that directly affects academic outcomes. The rollout of the **Competency-Based Education and Training (CBET)** and **Modular** curriculum has increased operational costs, especially for examinations and practical sessions. There is an urgent need for timely and sufficient release of capitation to ensure effective implementation.

On the co-curricular front, our students actively participated in various competitions. The Ladies' volleyball team emerged victorious at both the regional and national levels. Our college also fielded teams in men's soccer and handball. Participation in drama festivals at both regional and national levels was also commendable.

The Board of Governors chair has been instrumental in guiding the college's development. The board maintains consistent participation in scheduled meetings and has even held virtual sessions to save on operational costs. Notably, their support has fostered stronger ties with the KCB Foundation, which has sponsored approximately 400 students since 2020. Their involvement continues to play a key role in infrastructure improvement efforts.

We are pleased to report that in March this year, the college successfully procured a new institutional bus to enhance transport services for our students and staff. The acquisition of the bus marks a significant milestone in improving mobility for academic trips, co-curricular activities, and other official engagements. This development was made possible through careful planning and prudent financial management, with support from both internal resources and

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

development partners. The new bus has already started serving various departments and has notably eased the logistical challenges we previously faced, especially during fieldwork, industrial visits, and inter-institutional competitions. We remain committed to continually improving our infrastructure and service delivery, and we appreciate all stakeholders whose contributions made this achievement possible.

To boost the institution's financial sustainability we have increased college bakery daily production from 350 to 600 loaves, and plans are in place to acquire a larger oven to scale up to 2,000 loaves per day. Our bread, which is KEBS-certified and branded, is gaining ground in the market, competing with established names such as Super Loaf and United Loaf. There are also plans to introduce additional income-generating projects in agriculture on bee keeping.

We deeply appreciate the support from the Constituency Development Fund (CDF) for continued support through disbursement of bursaries for students' fees. We are optimistic that, with additional support from the Member of Parliament for Budalang'i, we can establish a multi-purpose and clear the KCB bus loan.

In line with the Presidential directive to plant 15 billion tree seedlings, Bunyala TVC set up a tree nursery and successfully distributed 6,500 seedlings to the local community. These efforts were complemented by our participation in the national tree-planting holiday and reforestation activities along flood-prone slopes near the college. Unfortunately, flooding remains a significant problem, causing damage to classrooms, roads, toilets, and walls. We have devised a mitigation plan and hope to implement it as resources become available.

A major ongoing challenge is the lack of a consistent supply of clean drinking water. We currently rely on a water bowser, incurring an average cost of Ksh. 20,000 weekly, totaling nearly Ksh. 1 million annually. We are pursuing resource mobilization to drill a borehole, which would provide a sustainable solution. We also urgently need additional classrooms and land for expansion, and we aim to address this through increased capitation, fees collection, and support from development partners.

The college received government capitation for two quarters of the year. However, the disbursement fell short of expectations. While Q1 and Q3 were funded at Ksh.13,000 per student, making the annual total Ksh. 14,368,525 and scholarship of Ksh. 4,021,248. This shortfall created a significant budget gap. Were it not for SHFCO Ksh.455,000 and the National Youth Service's Ksh. 12,597,600 in support, the institution would have faced major financial strain.

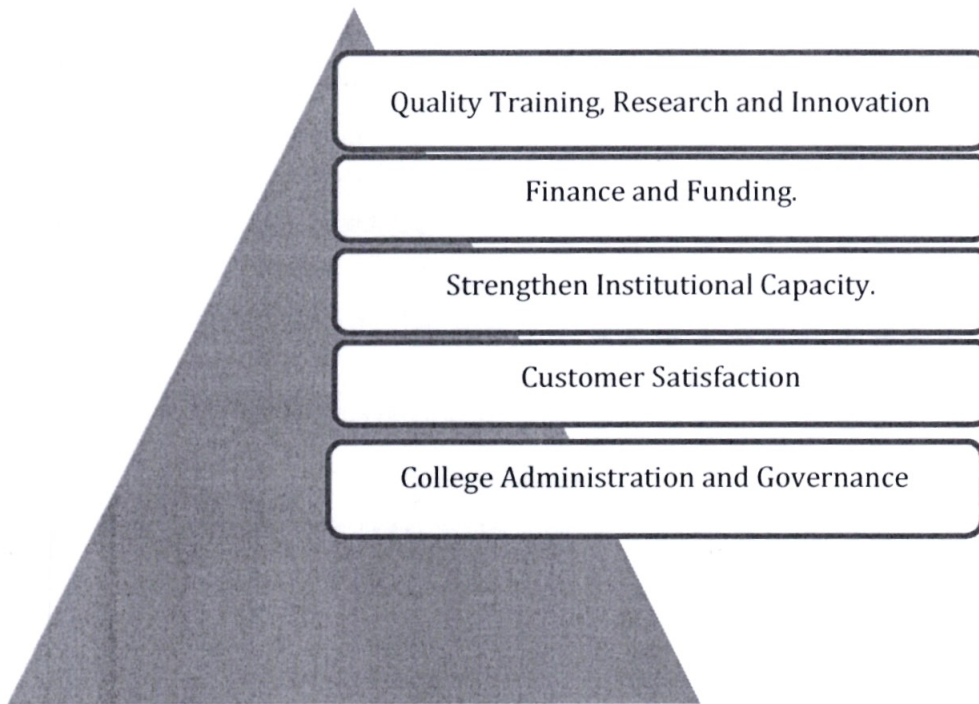
BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Due to these constraints, we accumulated creditors amounting to Ksh. 14 million. This was partly due to delays in fund disbursement from NYS. We remain hopeful that this year's funding—both from the government and partners—will be released in a more predictable and timely manner.



Wasilwa Juma

5. 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 2024/2025 period for its 5 strategic pillars, as indicated in the table below:

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
Pillar 1. Quality Training, Research and Innovation	✓ To hire, skill and reskill trainers	<ul style="list-style-type: none"> i) Appointment letters/Signed contracts ii) Training reports iii) Exchange program reports iv) Mentorship reports and forms. 	<ul style="list-style-type: none"> i) Recruiting trainers to address existing deficit ii) Reskilling trainers for effective training e.g., training methodology through Kenya School of TVET iii) Mentorship programme for newly employed academic staff iv) Establishment of exchange programmes 	<ul style="list-style-type: none"> i) 5 trainers recruited ii) Staff trained iii) 2 exchange programs iv) 5 trainers mentored. v) Tied to Performance Contract (PC) on Competence Development
	✓ To strengthen research and innovation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 through networking with researchers vi) Providing links to research courses and resources. vii) Create an ideal environment for commercialization of innovations 	<ul style="list-style-type: none"> 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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
				Science, Technology and Innovation Mainstreaming
	✓ To revamp infrastructure for circular 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
	✓ To improve quality of curriculum delivery	i) Training reports ii) Percentage equipping of library. iii) Evaluation reports iv) Analysis report.	i) Enhance capacity for academic and non-academic staff. 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	i) Trained 8 academic and 3 non-academic staff ii) Library equipped iii) Evaluation carried out iv) 2/3 trainees class attendance analysis done. v) Tied to Performance Contract (PC) on Competence Development, Internal Quality Assurance Policy Implemented

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			analysis	
	✓ To improve on trainee enrolment and completion rate	<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 co-curricular activities 	<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
Pillar 2: Finance and Funding	✓ To improve 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
		<ul style="list-style-type: none"> i) Percentage cost reduced. ii) Functional solar systems 	<ul style="list-style-type: none"> i) Decrease costs of acquiring goods and services ii) Implementation and installation of green energy 	<ul style="list-style-type: none"> i) Cost reduced ii) Solar security lamps installed iii) Paper wastage reduced

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		iii) Duplex printer	sources iii) Reduce paper wastage by: a) Enacting duplex printing b) Implementing paperless operations c) Coding printers to reduce unnecessary printing.	through printing in duplex and by enhancing use of soft copy reports and documents. iv) Tied to Performance Contract (PC) on Project Completion Rate.
		i) Bank integration, e-citizen on boarding, reviewed charges for college programs. ii) Appointment letter, Approved policy iii) Certified short courses, Amount mobilized externally	i) Improve the college financing by enhancing revenue collection system and reviewing charges of College's programs ii) Boost capacity of staff on resource mobilization through Appointing Resource Mobilization Officer, and Drafting a resource mobilization policy iii) Broaden sources of funding by Rolling out short term courses and Implementing resource mobilization strategy	i) Increased trainee application for government HELB loan/scholarship ii) Policy developed iii) Short term courses mounted i.e, computer applications, electrical wire man, plumber pipe fitter, welding, tractor operator iv) Tied to Performance Contract (PC) on Competence Development.
		i) Cost analysis report, Percentage implementation, Percentage of collected debts.	i) Enhance cost-effectiveness of college programs by: Carrying out cost-benefit analysis of the programs, Implementing the cost	i) Cost benefit analysis carried out, Implementation undertaken, Debts collected

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		<ul style="list-style-type: none"> ii) Number of management trained iii) Approved policy, Analysis report, Approved procurement plan, Appraisal report. 	<ul style="list-style-type: none"> 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 performance appraisals 	<ul style="list-style-type: none"> 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
	✓	<ul style="list-style-type: none"> i) Draft performance management framework ii) Performance Assessments iii) Training report. 	<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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
Pillar 3: Strengthen Institutional Capacity		<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 initiatives by Carrying out Training Needs Assessment and Implementing the TNA report. iii) Review employee scheme of service 	<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
		<ul style="list-style-type: none"> i) Calendar of events, Number of briefs, Team building reports ii) Number of trainers rewarded., Number of sensitized staff, Survey report 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> i) Calendar of events developed, Monthly briefs, Team building activities ii) Trainers rewarded, Staff sensitized, Survey conducted
	✓	<ul style="list-style-type: none"> i) Percentage system improvement, 	<ul style="list-style-type: none"> i) Leveraging on ICT in college operations by Improving on student 	<ul style="list-style-type: none"> i) System improved, Process expanded ii) Reviewed policy,

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 through Mounting of new access points v) Procure a power backup solution 	<ul style="list-style-type: none"> 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
Pillar 4: Customer Satisfaction	To enhance college image	<ul style="list-style-type: none"> i) Approved policy, No. of CSR activities conducted ii) Survey report iii) Approved strategies. 	<ul style="list-style-type: none"> i) Develop and implement corporate social responsibility (CSR) policy ii) Strengthen the college brand visibility by Conducting college awareness survey 	<ul style="list-style-type: none"> i) Developed policy, Policy implemented ii) College awareness index iii) Strategies reviewed iv) Tied to Performance Contract (PC) on Implementation of Citizens' Service

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			iii) Improve internal and external Communication by reviewing and applying the following strategies: a) Communication strategy b) Marketing strategy	Delivery Charter
	To enhance Customer Service Delivery	i) Number of staff trained, Customer satisfaction index ii) Approved policy, Approved mechanisms, Number of staff sensitized.	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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
Pillar 5: College administration and Governance	To Strengthen College Leadership and Governance	<ul style="list-style-type: none"> i) Percentage implementation of SP, Evaluation report., Approved BCP plan, Percentage BCP implementation ii) Composite score. 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 	<ul style="list-style-type: none"> i) Enhance Institutional long-term Sustainability by: Implementing the College's Strategic Plan, conducting yearly evaluation of the Strategic Plan, Develop Business Continuity Plan and Implementing Business Continuity Plan ii) Improve Institutional Performance by Improving annual Performance Contract Composite Score 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 iv) Mainstream Government policies on Cross-cutting issues by Developing and reviewing workplace policies on cross-cutting issues 	<ul style="list-style-type: none"> i) Strategic Plan implemented, Yearly evaluation of SP done, BCP plan developed, BCP implemented ii) Composite score improved iii) Policies developed, Staff sensitized, Committee trained iv) Policies developed v) Tied to Performance Contract (PC) on Strategic Plan Reviewed and implemented

6. Corporate Governance Statement

Corporate Governance Overview

Bunyala Technical & Vocational College is devoted to upholding the core tenets of effective corporate governance—namely, transparency, integrity, and accountability. To achieve this goal, the College has developed this Corporate Governance Overview, a comprehensive Board Charter, and a structured Board Work Plan. These documents collectively establish a framework within which board members are expected to operate, holding themselves accountable to all stakeholders by adhering to the principles and standards they outline.

BOARD OF GOVERNORS

The Board is entrusted with crafting the College’s strategic direction and ensuring that its mission—primarily shaped by the provisions of the TVET Act, 2013—is clearly defined, efficiently implemented, and actively monitored.

While the day-to-day operations are delegated to the Principal and the management team, the Board maintains overall oversight of the College’s performance and governance. It reviews and approves detailed work plans, operational policies, and procedural manuals, and rigorously tracks their execution.

Each year, a Board Work Plan schedules meetings in advance. Board members are duly notified with meeting agendas and supporting documents circulated ahead of time.

To promote continuous improvement, the Board conducts an annual performance assessment for itself and its individual members. This current Board is now in its third and concluding year.

The Board also reviews annual audit reports, including management letters, and acts appropriately. Statutory and compliance-related reports are addressed in a similar fashion.

BOARD COMMITTEES

Certain responsibilities are delegated to Board Committees, each guided by formally adopted terms of reference. Their performance is consistently evaluated to ensure alignment with the College’s goals.

Currently, the following committees are in place:

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 institution that hires based on merit, without prejudice to gender, religion, ethnicity, ability, or socio-economic background. The same principle guides the student admission process.

Bunyala TVC is committed to fostering an inclusive, safe, and supportive environment that enables all staff and students to thrive both professionally and academically.

BOARD CHARTER

A. Purpose

The Charter outlines the guiding values and operational framework for the College's Board of Governors. It details the roles, responsibilities, and authority of the Board and its committees, defines the relationship between the Board and management, and serves as the reference point for governance matters. It complies with the TVET Act, 2013, the PFM Act, 2012, and other applicable laws.

B. Role of the Board

The Board's primary responsibilities include:

- Making strategic decisions and providing overall leadership
- Establishing sound internal control mechanisms
- Supervising corporate governance and risk management frameworks
- Defining and overseeing policy implementation
- Promoting ethical conduct and sustainability
- Ensuring legal and regulatory compliance
- Setting staffing and remuneration policies

C. Reserved Powers.

Certain decisions are retained by the Board, while operational duties are delegated to the Principal (Secretary to the Board) and the College management.

D. Delegation of Authority

Management may be empowered to make significant decisions, but all authority stems from the Board. The Principal must inform the Board of matters that require its input or exceed delegated powers.

E. Board Composition

Appointed by the Cabinet Secretary for Education, the Board includes experts in relevant fields. It is structured to reflect diverse skills critical to effective oversight.

5.1 Appointment and Remuneration

- Appointments are made in accordance with statutory guidelines
- The Chair is appointed by the Cabinet Secretary

- Transparent policies on Board remuneration are established and disclosed as per TVET Act provisions

F. Independence.

The Board promotes an environment that encourages independent thinking and objective decision-making.

G. Access to Information

Board members may obtain external professional advice at the College's cost and have access to complete, relevant, and accurate information for informed decision-making.

H. Induction and Training

- New members undergo structured orientation programs
- Ongoing training and biannual reviews ensure members remain well-informed and effective

I. Board Evaluation

Periodic evaluations are conducted covering the entire Board, the Chairperson, committees, and the Secretary. Results are discussed and guide capacity-building efforts.

J. Roles of Chair and Secretary

Chairperson

- Provides leadership and ensures the Board's effectiveness
- Develops meeting agendas and strategy in collaboration with the Secretary
- Oversees governance and communication with stakeholders
- Ensures professional development of Board members

Secretary (Principal)

- Implements Board policies and coordinates departmental operations
- Maintains internal control systems and management information
- Keeps the Board updated with regular performance reports
- Ensures legal compliance and facilitates communication with stakeholders

K. Duties of Board Members.

Each member must:

- Act diligently and in good faith
- Avoid conflicts of interest
- Uphold confidentiality
- Allocate sufficient time and effort to their responsibilities
- Represent the College's interests over those of any nominating authority

L. The Secretary

As the principal and Board Secretary, responsibilities include:

- Providing governance guidance
- Ensuring compliance with laws
- Organizing Board activities
- Coordinating evaluations and audits
- Maintaining a conflict-of-interest register

M. Board Committees

Committees are formed to assist with specific functions:

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

Chairs are appointed, and each committee is bound by clear reporting obligations. The Board remains accountable for committee decisions and regularly assesses their performance.

N. Conflicts of Interest

Board members must:

- Declare conflicts proactively
- Recuse themselves when conflicts arise
- Ensure all declarations are recorded and evaluated appropriately

O. Code of Conduct

The College enforces a code of ethics for all governors and staff. It also upholds whistleblower protection and complies with the Public Service Code of Conduct.

P. Board Meetings

The Board meets quarterly or as necessary. Meetings are pre-scheduled and properly documented. During these sessions, strategic performance is reviewed, and key decisions are made. The attendance of the board meetings during the financial year 2024/2025 was as follows:

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Board of Governors Meeting Attendance as at 30th June 2025

S/NO	NAME	DATE	DATE	DATE	DATE
		08/08/2024	04/10/2025	20/10/2024	14/12/2025
	Francis Rambui	Present	Present	Present	Present
	Joseph Sunguti	Present	Present	N/A	Present
	Prof. Wilphredian Okumu Bigambo	Present	Present	Present	Present
	Caroline A. Wanyama	Present	Present	Present	Present
	Josephat Kemboi	Present	Present	Present	Present
	Duncan Ochoro	Apology	Present	Present	Present
	David Ekuot	Present	Present	Present	Present
	Henrietta Nakhulo Namava	Present	Present	Present	Present

Board Committees Meeting Attendance as at 30th June 2025

S/N	NAME	ACADEMIC, HUMAN RESOURCE & WELFARE COMMITTEE	
		DATE	DATE
		23/07/2024	30/09/2024
1.	Prof. Wilphredian Okumu Bigambo	Present	Present
2.	Mr. Duncan Paul Ochoro	Present	Present
		FINANCE, PLANNING & DEVELOPMENT COMMITTEE	
		DATE	DATE
		25/07/2024	07/08/2024
1.	Mr. Josephat Kemboi	Present	Present
2.	Ms. Caroline A. Wanyama	Present	Present
		RISK AND AUDIT COMMITTEE	
		DATE	DATE
		26/07/2024	3/10/2024
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), and 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.

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	SRC Rates
Transport allowance	10,000	8,000	SRC Rates
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

The evaluation of Board performance serves to document accomplishments, identify skill gaps, and highlight areas requiring enhancement in relation to the set annual goals and individual responsibilities. The goal of this process is to assess overall effectiveness. During this review, objectives for the upcoming year are also outlined, with clear strategies on how these targets will be achieved. Timelines are set, and any resource limitations or challenges are identified to ensure follow-up actions are both realistic and results-oriented.

To uphold our commitment to delivering high-quality training to our trainees, we are guided by the following principles:

- i) Acting courteously, ethically, fairly, and with professionalism in all interactions
- ii) Maintaining a helpful and positive attitude while explaining the rationale behind decisions
- iii) Offering support and guidance whenever it is needed
- iv) Responding to enquiries and requests accurately and promptly
- v) Treating staff members, contractors, and suppliers with honesty and respect
- vi) Ensuring the College environment remains clean, organized, and well-maintained

S. STAKEHOLDER ENGAGEMENT

- a) The Board acknowledges and is committed to upholding the rights of all stakeholders, ensuring fairness and equal treatment across the board.
- b) In compliance with applicable regulations, the Board will make relevant information available to stakeholders and will implement systems to facilitate open and effective communication.
- c) The Board follows an inclusive approach that factors in the interests and expectations of all stakeholders when making decisions and carrying out its functions.
- d) The Board will maintain appropriate communication channels with various stakeholders, including the media, to foster transparency and engagement.

T. TERMS OF REFERENCE

The Board has formally adopted a comprehensive set of Terms of Reference that outline its responsibilities and operating framework. These terms are periodically reviewed to ensure they remain aligned with the evolving needs of the institution and support the effective governance and administration of the College.



Francis Rambui
Bunyala Technical & Vocational College
Board of Governor

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

1. Management Discussion and Analysis Operational & Financial Performance

The enrolment of the college grew from 1072 to 1354 registered in the previous FY 2024/25. 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.

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

All figures are in Kenya Shillings.

Year	2023/2024	2024/2025
Income	51,600,393	66,135,619
Expenditure	49,465,762	66,996,969
Surplus/(deficit)	2,134,631	(861,350)

During the year ended 30th June, 2025 capitation was Ksh.4,000 for quarter and Kshs. 13, 000 for quarter three. The College made a deficit of Kshs.861, 350 for FY 2024/2025.

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

The following key projects were completed in the FY 2024/2025

- i) *Bunyala TVC College Bus*





Fig: bunyala TVC Bus

ii) Bunyala TVC Farm poduce



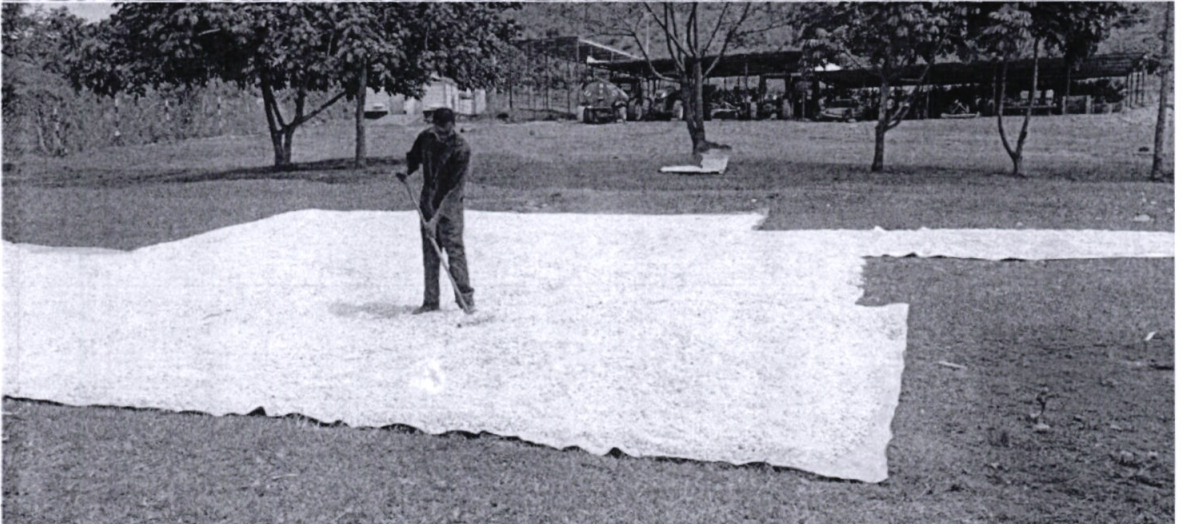


Fig6; Farm Produce

Management Discussion and Analysis

Planned Projects for FY 2025/2026

The following developments are scheduled for implementation in the 2025/26 financial year:

- i. A borehole project is planned to ensure a reliable supply of clean drinking water for both trainees and the surrounding community.
- ii. A new tuition block will be constructed, subject to the availability of funds.
- iii. Construction of the building department block is currently in progress.

Compliance with Statutory Obligations

The College strictly adheres to all legal and regulatory requirements applicable to its operations. These include remittances and compliance with SHIF, NSSF, PAYE, HELB loan repayments, the Affordable Housing Levy, and NITA contributions. The institution also submits quarterly and annual financial returns in accordance with the Public Finance Management (PFM) Act, 2012, and follows all circulars and directives issued by the Ministry of Education, the Presidency, and relevant oversight bodies such as KUCCPS, KATTI, TVETA, and other public institutions.

Key Risks Facing Bunyala Technical and Vocational College (BTVC)

The college is currently exposed to several critical risks:

- i. **Low Student Enrollment:** Although student numbers remain low, the college is actively conducting targeted marketing campaigns to attract more trainees and improve future enrolment.
- ii. **Human Resource Dependence:** The institution's success largely depends on its capacity to recruit and retain qualified personnel, particularly trainers and technical staff.
- iii. **Delayed Funding:** The College heavily relies on funding disbursed by the parent Ministry. Delays, especially in the fourth quarter of the financial year, have significantly hampered operations.
- iv. **Funding Recovery Challenges:** Recovering capitation from the government for previous financial years—even when all reporting obligations have been met—remains uncertain. Similarly, it is often difficult to access grant funding that had been anticipated in the budget.
- v. **Project Funding Uncertainty:** The approval and financing of proposed projects through the Ministry of Education are beyond the college's control and are subject to change.
- vi. **Limited Revenue Sources:** The bulk of the college's revenue is derived from a small number of key sources. For the financial year ending 30 June 2025, these sources accounted for the majority of the institution's income.

- a. Trainee fees collection: 49% of our total revenue
- b. Capitation and govt. disbursements: 28% of our total revenue
- c. NYS 20% of our total revenue

d. Others 3%

- i) 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.
- ii) 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.
- iii) 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.
- iv) Inability to take up insurance policies could expose us to significant losses.
- v) 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.

2. Environmental and Sustainability Reporting Statement

Commitment to Sustainability at Bunyala TVC

The senior management of Bunyala Technical and Vocational College emphasizes the vital role of sustainability in safeguarding the needs of future generations. We are dedicated to operating in a manner that respects the rights of both present and future stakeholders. Our adherence to the Kenya Constitution 2010—particularly the Bill of Rights—as well as the college’s internal policies and relevant legal and ethical standards, ensures both social and economic sustainability. Our commitment to our core values—Integrity, Professionalism, Transparency, Accountability, and Impartiality—guides every aspect of our operations and is firmly embedded in our Strategic Plan.

Sustainability Strategy and Initiatives

At Bunyala TVC, we acknowledge our collective responsibility to care for the environment. While our activities have a relatively modest environmental footprint, we are actively working to minimize any negative impact through resource conservation, waste reduction, and environmentally friendly practices. We are gradually phasing out the use of wood fuel in favor of cleaner alternatives such as gas, and we have initiated the first phase of a solar energy project. Waste management has been enhanced by placing dustbins and wash points at key locations around the campus. Special bins have also been provided for female trainees to manage disposal of sanitary products in a dignified and hygienic manner.

Achievements and Areas for Improvement

Bunyala TVC has made significant strides in environmental conservation. To date, the college has planted over 6,000 trees of various species within the institution's compound. We have also established a modern tree nursery that hosts over 10,500 seedlings across six species: *Maesopsis eminii*, *Markhamia lutea*, *Croton megalocarpus*, *Moringa spp.*, *Trewia bracteolata* (likely what was meant by "Travelia brown"), and *Jackfruit trees*. Our goal is to plant more trees on campus and distribute at least 4,000 seedlings to the local community.

In partnership with the Kenya Forest Service (KFS), we are contributing to the rehabilitation of Bunyala Forest Hill in the Sisenye area, with the aim of reaching a reforestation target of 100,000 trees.

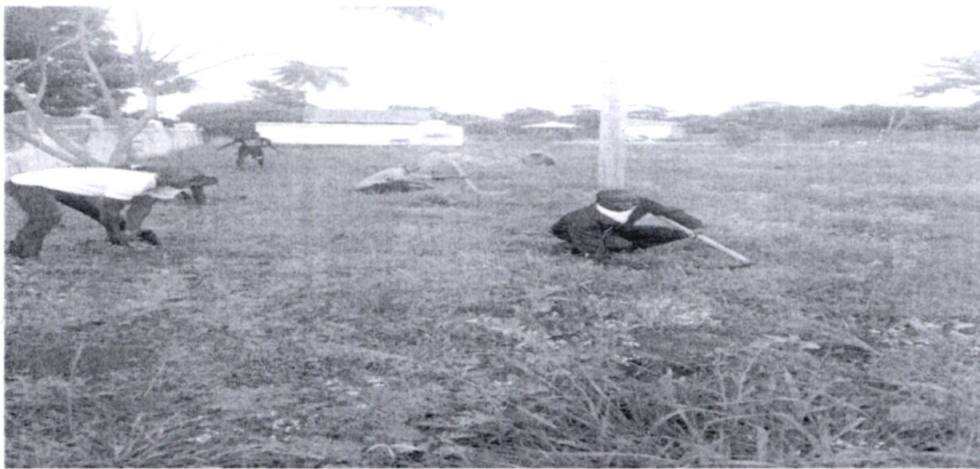






Fig. 6: Tree planting within the Bunyala college compound

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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 actively collaborates with students and staff to promote sound environmental practices across the institution. The college has taken proactive steps to curb soil erosion, prevent air and water pollution, and manage waste efficiently. These efforts are supported by dedicated environmental management personnel and a specific budget allocation for tree planting and environmental upkeep.

BTVC applies an integrated strategy to manage natural resources and maintain ecological balance in line with its social, economic, and cultural goals. In partnership with the Kenya Rural Roads Authority (KeRRA), the college has constructed drainage systems within the campus and along the adjacent road to regulate water flow and reduce erosion. Additionally, we are in the process of drafting a formal environmental policy to steer future environmental management decisions.

Employee Welfare

i) Recruitment and Staffing Policies.

The College adheres to a comprehensive Human Resource Management Policy and Procedures Manual. This document outlines the terms and conditions of service for all employee categories, a code of conduct, job descriptions, and qualification requirements. The policy is harmonized with the Public Service HR Management guidelines and emphasizes gender balance and stakeholder participation. The Board of Governors, which plays an oversight role, is fully involved in matters of staff welfare and recruitment.

ii) Skills Development and Career Growth

Regular training needs assessments and staff appraisals are carried out to evaluate both teaching and non-teaching staff development needs. The Board supports capacity building through re-skilling and continuous professional development to match technological advancements. These efforts are reviewed annually. We also recognize and reward outstanding staff and students during our annual "Talent Day" celebration.

iii) Health and Safety (OSHA Compliance)

Bunyala TVC complies with the Occupational Safety and Health Act (OSHA), 2007. Fire safety equipment has been installed in all critical areas, fire assembly points have been clearly designated, and all powered machinery has been safeguarded for user protection. Work is also ongoing to finalize the college's environmental policy to complement these safety measures.

Marketplace Practices

Bunyala TVC is firmly committed to the principles of fairness, professionalism, integrity, transparency, and accountability.

a) Ethical Advertising and Competition

The institution promotes its academic programs through mainstream media and community outreach. We maintain professional ethics by avoiding negative references to competitor institutions unless involved in collaborative engagements. We also uphold anti-corruption practices through a designated officer, guided by a clear anti-corruption policy. Furthermore, the college discourages political interference in its operations. To ensure fair student leadership elections, the college contracts the Independent Electoral and Boundaries Commission (IEBC) to oversee the process.

b) Ethical Procurement and Supplier Relationships

Bunyala TVC follows the Public Procurement and Disposal Act of 2015, its 2020 regulations, and all relevant procurement directives. The college conducts supplier sensitization meetings before procurement activities and engages in open price negotiations prior to awarding contracts. We honor agreed payment timelines as outlined in bidding documents and guided by our Service Charter, provided funds are available.

c) Sustainable Product Procurement

Our procurement unit ensures that items acquired are:

- Environmentally friendly,
- Designed with end-of-life recycling or disposal in mind (e.g., plastics), and
- Supportive of local industry, in line with the “Buy Kenya, Build Kenya” initiative.

Support for Education and Sports

The college actively promotes technical and vocational education. It runs work-study programs to support students facing financial hardship, particularly those with special talents in sports and related areas.

Healthcare Provision

Through a special arrangement with the Port Victoria Sub-County Hospital, students are treated on presentation of valid sick sheets, and the college settles the bills. This partnership ensures that students have access to quality public healthcare. Additionally, the college has hired a resident nurse to address minor health issues promptly.

Water and Sanitation

Access to clean drinking water remains a significant challenge. To address this, the college acquired a water bowser used to supply water to both students and the surrounding community. However, this has proven to be costly, and plans are underway to drill a borehole to provide a more sustainable solution.

Corporate Social Responsibility (CSR) and Community Involvement

In the financial year 2024/2025, the college took part in several community support initiatives, including contributing to the budget for national holiday celebrations organized by the Office of

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

the Deputy County Commissioner in Bunyala Sub-County. Notably, the college supported the Madaraka Day event on June 1, 2024, and the Jamhuri Day celebration on December 12, 2024.

3. REPORT OF THE BOARD OF GOVERNORS

The Board members submit their report together with the audited financial statements for the year ended June 30, 2025, 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 2025 are set out on page 1-6

Board of Governors

The members of the Board who served during the year are shown on page vi

Auditors

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

By Order of the Board



.....
Mr Wasilwa Juma
Secretary of the Board

4. 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, 2025. 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.

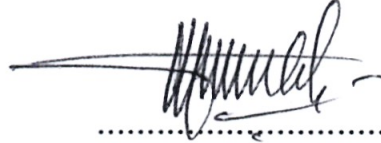
BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Approval of the financial statements

The Bunyala TVC's financial statements were approved by the Board on 20/8/2025 and signed on its behalf by:



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



.....
Name: Wasilwa Juma
Accounting Officer/Principal

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON BUNYALA TECHNICAL AND VOCATIONAL COLLEGE FOR THE YEAR ENDED 30 JUNE, 2025

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; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on 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 39, which comprise of the statement of financial

Report of the Auditor-General on Bunyala Technical and Vocational College for the year ended 30 June, 2025

position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bunyala Technical and Vocational College as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) Technical, Vocational and Educational Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Doubtful Recoverability of Receivables from Exchange Transactions

The statements of financial position and Note 17 to the financial statements reflect current portion of receivables from exchange transactions balance of Kshs.38,933,603 in respect to student debtors. However, the balance includes student debtors amounting to Kshs.25,787,905 which have been outstanding for more than twelve (12) months and there was no evidence provided for audit on efforts made by Management to recover the debts.

In the circumstances, the accuracy and recoverability of current portion of receivables from exchange transactions balance of Kshs.38,933,603 could not be confirmed.

2. Misclassification of Property, Plant and Equipment

The statement of financial performance and Note 10 to the financial statements reflect use of goods and services expenses of Kshs.39,335,726. The expenses include development expenditure amount of Kshs.447,750 which was used for purchase of fencing materials for the college. However, the college did not capitalize the fencing cost but erroneously reduced the surplus for the year by the asset.

In the circumstances, the accuracy and completeness of use of goods and services expenses of Kshs.39,335,726 could not be confirmed.

3. Unreconciled Cash Flows from Operating Activities

Note 25 to the financial statements in respect to cash generated from operations indicates net cash flows from operating activities of Kshs.8,291,204. However, the amount differs with the statement of cash flows amount of Kshs.8,012,134, by an unreconciled variance of Kshs.279,070.

In the circumstances, the accuracy and completeness of net cash flows from operating activities 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.85,669,400 and Kshs.45,856,629 respectively resulting to a short-fall of Kshs.39,812,771 or 46% of the budget. However, the statement erroneously indicates a receipts short fall of Kshs.19,533,781. Similarly, the college had an expenditure budget of Kshs.85,669,400 against the actual expenditure of Kshs.37,844,495 resulting to over-expenditure of Kshs.47,824,905 or 55% of the budget.

The under-funding and under-performance affected the planned activities and impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

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 effect of 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 Matter

Unresolved Prior Year Matters

In the audit of the previous year, several issues were reported under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance as detailed in **Appendix I**. However, Management had not resolved the issues or given reasons for the delay in resolving the issues.

Other Information

The Management is responsible for the Other Information set out on page iii to xlvii which comprise of Key Entity Information and Management, 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 and Statement of Board of Governor's 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. Long Outstanding Trade and Other Payables

The statements of financial position and Note 22 to the financial statements indicate trade and other payables balance of Kshs.15,498,218. The ageing analysis provided for audit revealed that payables amounting to Kshs.3,627,586 had been outstanding for more than twelve (12) months, and Management did not provide reasons for not considering the payments as a first charge. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which requires that debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure that the Government does not default on debt obligations.

In the circumstances, failure to settle long-outstanding payables may result in accumulation of liabilities, potential legal claims from creditors, and loss of public trust.

2. Incomplete Construction of Powerhouse

The college contracted a company to supply building materials for the construction of powerhouse at a cost of Kshs.579,070. The goods were received, inspected and accepted on 15 May, 2025. However, the Bills of Quantities (BQ) for the building materials prepared by the head of Building and Civil Engineering Department on 18 March, 2025 totaled to Kshs.264,115, resulting in an unexplained variance of Kshs.206,208. At the time of audit verification on 16 October, 2025, there was no activity on site, and the plastering and painting works were incomplete.

In the circumstances, the value for money on the excess amount spent on the powerhouse construction project could not be confirmed.

3. Unprofitable Operations of the Bakery Unit

During the year under review, the college operated a bakery unit whose actual operating costs totaled to Kshs.2,321,453, against revenue earned of Kshs.1,949,560, which results in a loss of Kshs.371,893.

In the circumstances, the college did not obtain value for money on bakery unit.

4. Uneconomical Construction of a Bus Park

Note 10 to the financial statement reflects use of goods and services of Kshs.39,335,726 which include tuition expenses amounting to Kshs.9,015,980. The expenses include construction of a bus park costs amounting to Kshs.387,275 in respect to supply of construction materials by a company on 13 May, 2025. However, the Bill of Quantities (BQ) amounted to Kshs.337,438 which differed with materials purchased amount Kshs.387,275, resulting to an unreconciled variance of Kshs.49,837. Further, the stores ledgers and inspection and acceptance report were not provided for audit review, and the purchase order includes paints and brushes which had not been used at the time of physical verification of the project on 21 October, 2025. The construction of the bus park was incomplete and not in use.

In the circumstances, the college did not obtain the value for money on construction of Bus Park.

5. Irregular Procurement of Fencing Materials

During the year under review, the college engaged a company to supply fencing materials. However, the invoice totaled to Kshs.394,343 which was above the Bill of Quantities (BQ) amount of Kshs.331,610, resulting to an unreconciled variance of Kshs.62,733.

In addition, the invoice and delivery notes were all dated 13 December, 2024 which are three days earlier before the professional opinion and Local Purchase Order were issued on 16 December, 2024. Further, the items were not taken on charge, and market survey reports were not provided for audit review to ascertain that the materials were procured at the prevailing market rates.

In the circumstances, the value for money spent on fencing materials could not be confirmed.

6. Non-Compliance with the Law on Staff Ethnic Composition

During the year under review, the staff establishment indicated that the college had seventy-nine (79) employees comprising twenty-six (26) non-teaching staff, twenty-two (22) Board of Governors staff, and thirty (30) Public Service Commission staff, out of which, a total of sixty-two (62) or 78% were members of the dominant ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public officers shall seek to represent the diversity of the people of Kenya in the employment of staff and no public institution shall have more than one third of its staff establishment from the same ethnic community

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. Failure to have a Board Charter

During the year under review, the Board of Governors did not have a Board charter in place to guide on its functions as per the requirement of Mwongozo the Code of Governance for State Corporations of 2015 which provides that the Board should develop and adopt a Board Charter. The Board Charter should define the role, responsibilities and functions of the Board of Governance of the organization.

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

2. Un-updated Fixed Assets register

During the year under review, the college did not maintain a fixed assets register maintained in format prescribed by IPSAS 17 whose minimum requirements are; identification or serial number, acquisition date, description of asset, location, class, cost of acquisition, accumulated depreciation, net book value. This was contrary to National Treasury and Planning Policy on Asset and Liability Management in Public Sector, 2020 which provides that accounting officer shall develop and implement an asset identification system in accordance to The National Treasury Guidelines.

In the circumstances, the effectiveness of internal controls on assets management could not be confirmed.

3. Lack of Internal Audit Function

During the year under review, the college continued to operate without an internal auditor. The internal auditor would have performed various roles stipulated in Section 73 (3) of the Public Finance Management Act.

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

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

Responsibilities of 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 the applicable basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements

comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Management 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

05 December, 2025

Report of the Auditor-General on Bunyala Technical and Vocational College for the year ended 30 June, 2025

Appendix I

Unresolved Prior Year Issues

Reference No. on the Auditor-General's Audit Report	Observation
	Report on the Financial Statements
1	Long Outstanding Receivable Receivables from Exchange Transactions
2	Unconfirmed Farm Machinery Balance
3	Inaccuracy in the Statement of Changes in Net Assets
4	Inaccuracy in the Statement of Cash Flows
5	Unconfirmed Depreciation and Amortization Amount
6	Inaccuracy in Statement of Comparison of Budget and Actual Amounts
7	Unconfirmed Rent Expenditure
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Non-Compliance with Law on Staff Ethnic Diversity
2	Non-Compliance with Law on Occupational Safety and Health
	Report on Effectiveness of Internal Controls, Risk Management and Governance
1	Operating Without an Approved Staff Establishment
2	Lack of Board Charter and Performance Evaluation
3	Lack of Internal Audit Function
4	Inventories Management Internal Control Weaknesses

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

6. Statement of Financial Performance for the Year Ended 30 June 2025

	Notes	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6(a)	18,398,773	12,369,925
Transfers from other levels of government	6(b)	13,052,600	17,248,775
Total Revenue from Non exchange transaction		31,451,373	29,618,700
Revenue from Exchange transactions			
Rendering of services- fees from students	7	32,455,186	21,174,123
Sale of goods	8	1,949,560	804,570
Other income	9	279,500	3000
Revenue from Exchange transactions		34,684,246	21,981,693
Total Revenue		66,135,619	51,600,393
Expenses			
Use of goods and services	10	39,335,726	25,341,609
Employee costs	11	10,257,137	8,559,839
Board /Council Expenses	12	1,413,570	1,140,915
Depreciation and amortization expense	13	13,654,256	13,440,210
Repairs and maintenance	14	2,303,469	957,910
Bank Charges	15	32,811	25,278
Total Expenses		66,996,969	49,465,762
Net surplus/(deficit) for the year		(861,350)	2,134,631

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

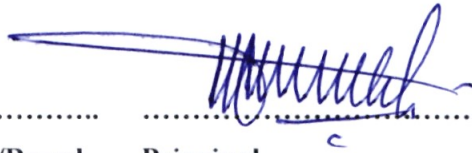
The Financial Statements set out on pages 1 to 6 were signed by:



.....
Chairman of Council/Board

Francis Rambui

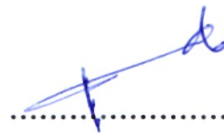
Date 28/11/2025



.....
Principal

Wasilwa Juma

Date 28/11/2025



.....
Finance Officer

Eric Amondo
ICPAK No 34680

Date 28/11/2025

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

7. Statement of Financial Position as At 30th June 2025

Description	Notes	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	16a	6,593,786	670,139
Current portion of receivables from exchange transactions	17	38,933,603	29,742,275
Receivables from non-exchange transactions	18	12,877,556	11,082,150
Inventories	19	698,015	3,334,355
Total Current Assets		59,102,960	44,828,919
Non-Current Assets			
Property, plant, and equipment	20	119,146,096	117,928,582
Intangible assets	21	0	1,170,293
Total Non-Current Assets		119,146,096	119,098,875
Total Assets (A)		178,249,056	163,927,794
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	22	15,498,218	5,799,106
Refundable deposits from customers	23	371,145	6,221,565
Total Current Liabilities		15,869,363	12,020,671
Non Current Liability			
KCB Bus loan	24	11,333,921	-
Total Non Current Liability		11,333,921	-
Total Liabilities B		27,203,284	12,020,671
Net Assets A-B		151,045,773	151,907,123
Represented By:			
Revaluation Reserves		116,834,000	116,834,000
Accumulated Surplus		(28,732,060)	(27,870,710)
Capital Fund		62,943,833	62,943,833
Net Assets		151,045,773	151,907,123

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Statement of Changes in Net Asset for the Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	116,834,000	(30,005,341)	62,943,833	75,869,138
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
At July 1, 2024	116,834,000	(27,870,710)	62,943,833	151,907,123
Revaluation gain	-	-	-	-
Surplus/(deficit) for the year	-	(861,350)	-	-
Capital grants received during the year	-	-	-	-
Transfer of depreciation/amortisation from capital fund to Retained earnings	-	-	-	-
At June 30, 2025	116,834,000	(28,732,060)	62,943,833	151,045,773

Note:

1. For items that are not common in the financial statements, the entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustments should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done).

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

8. Statement of Cash Flows for the Year Ended 30 June 2025

Description		2024-2025	2023-2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6a	18,398,773	18,536,550
Transfers from other levels of levels of Government	6b	13,052,600	-
Rendering of services- fees from students	7	12,176,196	11,147,824
Sale of goods	8	1,949,560	804,570
Other income	9	279,500	3,000
Total Receipts		45,856,629	30,491,944
Payments			
Use of goods and services	10	24,675,131	20,234,805
Employee costs	11	9,419,514	7,86,537
Board allowance	12	1,413,570	1,140,915
Repairs and maintenance	14	2,303,469	957,910
Bank Chargers	15	32,811	25,278
Total Payments		37,844,495	30,226,445
Net Cash Flows from operating activities		8,012,134	265,499
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		(2,088,487)	(856,721)
Proceeds from sale of property, plant and equipment		-	-
Net cash flows used in investing activities		(2,088,487)	(856,721)
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		5,923,647	(591,222)
Cash and Cash equivalents at 1 JULY 2024		670,139	1,261,361
Cash and Cash equivalents at 30 JUNE 2025	16	6,593,786	670,139

(PSASB has prescribed the direct method of cashflow preparation and presentation for all public sector entities reporting under the IPSAS Accrual basis of accounting)

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

9. Statement of Comparison of Budget & Actual amounts For Year Ended 30 June 2025

Description	Original budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
Receipts						
Transfers from other National Government entities	29,269,000	-	29,269,000	18,398,773	10,870,227	63%
Transfers from other levels of government	13,176,800	-	13,176,800	13,052,600	124,200	99%
Rendering of services- fees from students	40,010,000	-	40,010,000	12,176,196	7,554,814	81%
Sale of goods	3,207,600	-	3,207,600	1,949,560	1,258,040	61%
Other incomes	6,000	-	6,000	279,500	(273,500)	4658%
Total Receipts	85,669,400	-	85,669,400	45,856,629	19,533,781	77%
Payments						
Use of goods and services	67,304,240	-	67,304,240	24,675,131	42,629,109	37%
Employee costs	10,875,160	-	10,875,160	9,419,514	1,455,646	87%
Board /Council Expenses	2,480,000	-	2,480,000	1,413,570	1,066,430	57%
Repairs and maintenance	4,975,000	-	4,975,000	2,303,469	2,671,531	46%
Bank Charges	35,000	-	35,000	32,811	2,189	94%
Total Expenditure Payments	85,669,400	-	85,669,400	37,844,495	47,824,905	44%
Surplus	-	-	-	8,012,134	(2,134,631)	

This budget has been prepared on cash basis as per the IPSAS requirements

10. Notes to the Financial Statements

1. General Information

Bunyala Technical and Vocational College is established by and derives its authority and accountability from the TVET Act. 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 have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise 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 disclose. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of Bunyala TVC. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There are no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

	<p>infrastructure assets. <i>The standard does not have an impact on Bunyala TVC</i></p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value. <i>The standard is not applicable as Bunyala TVC has used historical cost concept instead.</i></p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026 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. <i>The standard does not have an impact on financial statements of Bunyala TVC.</i></p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026 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. <i>The standard does not have an impact on the financial statements of Bunyala TVC.</i></p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026 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>

	<i>The standard is not applicable on the financial statements of Bunyala TVC.</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p><i>This standard is not applicable to Bunyala TVC</i></p>

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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 2025/2026 was approved by the Board of Governors on *20th March, 2025*. 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. 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 Cashflows has been presented.

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) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

g) Intangible assets

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

h) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

i) 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.

j) 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 Institution'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 cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an 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.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments are made by management in determining the expected credit loss (ECL)

Financial liabilities

Classification

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

k) 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 (Continued)

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

l) Provisions

Provisions are recognized when the *Bunyala TVC* 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 *Institution* 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

Bunyala TVC 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 *Institution* 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.

m) 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.

n) Nature and purpose of reserves

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

o) 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.

p) Employee benefits

Retirement benefit plans

Bunyala TVC provides retirement benefits for its employees. 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.

q) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

r) 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.

s) 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.

t) 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 Institution 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 Institution also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) 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.

v) Comparative figures

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

w) 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, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual values

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

- The condition of the asset based on the assessment of experts employed by the *Entity*.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.

- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

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

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

6(a) Transfers from other National Government entities

Description	2024-2025	2023-2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	18,398,773	12,369,925
Total Government Grants and Subsidies	18,398,773	12,369,925

(a) Transfers from other Government entities (Categorized)

Name of the Entity Sending The Grant	Amount recognized to Statement of Financial performance *	Amount deferred under deferred income	Amount recognised in capital fund.	Total grant income during the year	2023/2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	18,398,773	-	-	18,398,773	12,369,925
Total	18,398,773	-	-	18,398,773	12,369,925

The details of the reconciliation have been included under appendix II

6(b). Transfers from Other Levels of Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfer from NYS	12,597,600	12,704,900
Transfer from KCB Foundation	-	4,543,875
Transfer from SHOFCO	455,000	-
Total Transfers	13,052,600	17,248,775

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

7. Rendering of Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Class of 2024-2025	32,455,186	21,174,123
Total Revenue from The Rendering of Services	32,455,186	21,174,123

8. Sale of Goods

Description	2024-2025	2023-2024
	Kshs	Kshs
Sale of Bread	1,949,560	799,570
Sale of tenders	-	5,000
Total Revenue from Sale of Goods	1,949,560	804,570

This is revenue from the bakery set out as a production unit to the college

9. Other Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Hire of College bus	271,500	-
Hire of Water Bowser	8,000	3,000
Total	279,500	3,000

The college bus has been on hire from the month of April 2024

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

10. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs	Kshs
Boarding Expenses	6,859,628	3,508,842
Stationery	63,932	1,138,576
DSTV Subscription	89,167	64,947
Internet	72,550	21,724
Tuition Expenses	9,015,980	5,941,114
Local Transport & Travel	5,001,832	2,746,510
Activity Expenses	3,777,896	1,636,005
Electricity water & Conservancy	1,541,834	1,417,846
Medical Expenses	162,104	33,750
Marketing & Publicity	517,130	973,923
Examination Expenses	5,231,040	2,682,050
Administration Expenses	2,187,658	926,927
Tender Expenses	-	32,574
Tractor Expenses	153,161	54,425
Industrial Attachment	647,000	428,000
Insurance	59,430	18,400
Regulatory Bodies	257,200	669,802
Students Council Expenses	356,416	388,277
Airtime	311,050	369,100
Software Installation	-	-
Development	447,750	
Production Unit-Bakery	2,321,453	1,986,227
Postage	15,450	18,750
Tree Planting Expenses	12,430	253,231
Students ID	-	29,000
WHT	-	1,607
Students refund	19,000	-
Motor vehicle expenses	214,635	
Total good and services	39,335,726	25,341,609

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

11. Employee Costs

Description	2024-2025	2023-2024
	Kshs	Kshs
Salaries and wages	7,905,177	6,092,109
Staff Training	628,296	751,260
Staff Expenses	144,657	251,235
HELB	80,556	223,136
Staff Welfare	90,600	82,400
SHIF	215,883	168,730
PAYE	139,644	71,015
NSSF	815,818	478,559
NITA	21000	19,850
Housing Levy	215,506	152,425
Staff Uniforms	-	269,120
Employee Costs	10,257,137	8,559,839

12. Board Allowance

Description	2024-2025	2023-2024
	Kshs	Kshs
BOG Sitting Allowance	730,000	567,500
BOG Transport Allowance	220,000	270,800
BOG Meals	111,570	80,615
Chairmans Airtime	16,000	6,000
BOG per diem	276,000	201,000
Chairmans Honoraria	60,000	15,000
Total	1,413,570	1,140,915

13. Depreciation and Amortization expense

Description	2024-2025	2023-2024
	Kshs	Kshs
Buldings	1,443,245	1,427,668
Computers	301,192	484,280
Furniture & Fittings	484,280	264,250
Office Equipment	248,418	198,593
Agricultural Machinery	9,697,222	9,697,222
Motor Vehicle	309,606	-
Intangible Assets	1,170,293	1,368,197
Total depreciation and amortization	13,654,256	13,440,210

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

14. Repairs and Maintenance

Description	2024-2025	2023-2024
	Kshs	Kshs
General repairs	2,303,469	957,910
Total Repairs and Maintenance	2,303,469	957,910

15. Bank Charges

Description	2024-2025	2023-2024
	Kshs	Kshs
KCB-Fees Account	19,328	22,969
KCB-Operations Account	2,720	126
KCB-Production Account	10,723	2,183
Total Bank Charges	32,871	25,278

16. Cash and Cash Equivalents

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	6,593,786	670,139
Others (cash in hand)	-	-
Total Cash and Cash Equivalents	6,593,786	670,139

16b. Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
KCB Fees	1252563736	6,373,343	364,140
KCB Operations	1252563639	149,154	2,699
KB Production Unit	1252563787	71,289	303,300
Sub- Total		6,593,786	670,139
b) Others			
Cash in Hand		-	-
Sub- Total		-	-
Grand Total		6,593,786	670,139

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

17. Receivables from Exchange transactions
(a) Current Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Student Debtors		
Class of 2018	-	7,300
Class of 2019	35,540	80,540
Class of 2020	6,770	6,770
Class of 2021	830,490	830,490
Class of 2022	6,375,140	8,217,936
Class of 2023	8,774,510	10,793,043
Class of 2024	9,765,455	9,806,196
Class of 2025	13,145,698	-
Total Current Receivables	38,933,603	29,742,275

(b) Ageing Analysis of Receivables from Exchange transactions

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current FY	% of total	2024	% of the total
Less than 1 year	13,145,698	34%	-	%
Between 1- 2 years	9,765,455	25%	20,599,239	69.26%
Between 2-3 years	8,774,510	23%	8,217,936	27.63%
Over 3 years	7,247,940	18%	925,100	3.11%
Total (a+b)	38,933,603	100%	29,742,275	100%

18. Receivables from Exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
National Youth Service (NYS)	12,452,000	8,847,900
KCB Foundation	-	2,234,250
Collaborative Centre for Gender Development-CCGD	425,556	-
Total Current Receivables	12,877,556	11,082,150

19. Inventories

Description	2024-2025	2023-2024
	Kshs	Kshs
Central Stores	698,015	3,334,355
Total Inventories at lower of Cost and Net Realizable Value	698,015	3,334,355

The inventories have been valued at cost value as the IPSAS 12

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

20(a). Property, Plant and Equipment

Cost	Land	Buildings	Furniture and fittings	Computers	Office equipment	Farm Machinery	Motor Vehicle	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		2.50%	12.5%	33.3%	12.50%	8.30%	10%	
At 1 July 2023	5,200,000	57,029,335	2,009,500	1,426,984	939,910	116,834,000	-	183,439,72
Additions	-	77,384	104,500	26,000	648,837	-	-	856,721
Disposals	-	-	-	-	-	-	-	-
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
Additions	-	623,089	295,536	-	398,597	-	12,384,256	13,701,478
Disposals	-	-	-	-	-	-	-	-
At 30th June 2025	5,200,000	57,729,808	2,409,536	1,452,984	1,987,344	116,834,000	12,384,256	197,997,928
Depreciation And Impairment								
At 1 Jun 2023	-	4,248,764	691,451	680,823	188,708	48,486,110	-	54,295,856
Depreciation	-	1,427,668	264,250	484,280	198,593	9,697,222	-	12,072,013
At 30 Jun 2024	-	5,676,432	955,701	1,165,103	387,301	58,183,332	-	66,367,869
Depreciation	-	1,443,245	301,192	484,280	248,418	9,697,222	309,606	12,483,963
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
At 30th Jun 2025	-	7,119,677	1,256,893	1,649,382	635,719	67,880,554	309,606	78,851,832
Net Book Values								
At 30th Jun 2024	5,200,000	51,430,287	1,158,299	287,881	1,201,446	58,650,668	-	117,928,581
At 30th Jun 2025	5,200,000	50,610,131	1,152,643	196,398	1,351,625	48,953,446	12,074,650	119,146,096

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Notes to the Financial Statements (Continued)

20. (b) Property, Plant and Equipment at Cost

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

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	5,200,000	-	5,200,000
Buildings	57,729,808	7,119,677	50,610,131
Computers	1,452,984	1,649,382	196,398
Furniture and Fittings	2,409,536	1,256,893	1,152,643
Office Equipment	1,987,344	635,719	1,351,625
Agricultural Machinery	116,834,000	67,880,554	48,953,446
Motor Vehicles	12,384,256	309,606	12,074,650
Total	197,997,928	78,851,831	119,146,096

21. Intangible Assets

Description	2024-2025	2023/2024
	Kshs	Kshs
Cost		
At beginning of the year	4,105,000	2,350,000
Additions	-	1,755,000
At end of the year	4,105,000	4,105,000
Additions-internal development	-	-
At end of the year	4,105,000	4,105,000
Amortization and impairment		
At beginning of the year	2,934,707	1,566,510
Amortization 33,33%	1,170,293	1,368,197
At end of the year	4,105,000	2,934,707
Impairment loss	-	1,170,293
At end of the year	4,105,000	2,934,707
NBV	-	1,170,293

The intangible assets have been fully amortised, hence awaiting revaluation

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

22. Trade and Other Payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade payables	14,660,594		5,106,804	
Salary deductions	837,623		692,302	
Total Trade and Other Payables	15,498,217		5,799,106	
Ageing analysis:	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	12,558,631	82%	-	-
1-2 years	3,627,586	18%	5,799,106	100%
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (to tie to totals above)	15,498,217	100%	5,799,106	100%

23. Refundable Deposits from Customers/Students

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Prepaid student fees	300,145		6,109,565	
Caution money	71,000		112,000	
Total Deposits	371,145		6,221,565	

24. Non Current Liability

Description	2024-2025		2023-2024	
	Kshs		Kshs	
KCB Bus Loan	11,333,921		-	
Total Deposits	11,333,921		-	

25. Cash Generated from Operations

	<i>2024-2025</i>
	Kshs
Surplus for the year before tax	(861,350)
Adjusted for:	
Depreciation and Amortisation	13,654,256
Working capital adjustments	
Increase in inventory	2,636,340
Increase in receivables	(10,986,734)
Increase in payables	9,699,112
Increase in payments received in advance	(5,850,420)
Net cash flow from operating activities	8,291,204

26. 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 (continued)

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

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

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

(ii) 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.

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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.

Management of interest rate risk

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

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.

27. 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 Bunyala TVC, 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 Governors;
- v) Budalangi CDF

28. Events after the Reporting Period

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

29. 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.

30. Currency

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

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

• **Appendices**

Appendix 1: Implementation Status of Auditor-General Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.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 year.However management did not provide evidence of effort made to collect the long outstandingdebts. Further, no provision for bad and doubtful debts was provided during the year under review.	The long outstanding receivables are due to delay and non disbursement of capitation, scholarship and HELB loans by the government.	Not Resolved	
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 tractors and valuation report for the farm machinery were not provided for audit review.	This is work in progress	Not resolved	By 30 June,2026
3.Inaccuracy in the statement of changes in Net Assets	The statement of changes in Net Assets reflects revaluation reserve balance of Kshs. 116,834,000 as at 30 June 2024.Information available indicate that the amount			

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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)
	relates to farm machinery grant from Kenya China Project Phase2 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 IPSAS.			
4. Inaccuracy in the statement of cashflows.	The statement of cashflows reflects net cashflows from operating activities amount of Kshs. 265,498. However, the amount was not analysed by way of Note to the financial statements as required by IPSAS and reporting template prescribed by the PSASB.	The management has since resolved the issue	Resolved	
26. 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 policy was not provided for audit review and the method of depreciation used by management was not disclosed in the financial statements.	Management commits itself to process a depreciation policy	Not resolved	31/12/2025
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 approved budget was not provided for audit review.	The budget has now been prepared in accordance to the cash basis of accounting	Resolved	

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

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)
<ul style="list-style-type: none"> Unconfirmed rent expenditure 	<p>The statement of financial performance reflects use of goods and services amount of Kshs. 25,341,609 which was disclosed in note 10 to the financial statements includes boarding expenses of Kshs. 3,508,842. Included in this amount is Kshs. 387,000 paid to a landlord in respect of hostels rent. However, the review of lease agreement supporting the expenditure revealed that the agreement had lapsed on 26 October 2022, and had not been renewed.</p>	<p>Management has since renewed and updated all contracts/ agreements</p>	<p>Resolved</p>	
<ul style="list-style-type: none"> Non compliance with law on staff ethnic diversity 	<p>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, fortytwo (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.</p>	<p>Management commits itself to improve from its proceeding recruitments</p>	<p>Not Resolved</p>	
<ul style="list-style-type: none"> Non compliance with Law on Occupational Safety and Health 	<p>Audit review of the colleges occupational safety and health environment revealed that the college had not established a safety and health committee at the work place as required under section 9(1) of the Occupational Safety and Health Act,2007. Further the 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 work place shall cause a thorough safety and health audit of his work place to be carried out atleast once in every period of twelve months by a safety</p>			

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

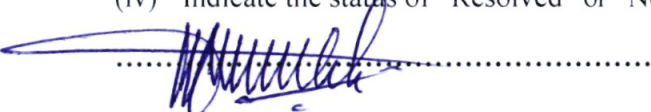
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	and health advisor.			
<ul style="list-style-type: none"> Operating without an approved staff establishment 	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.	The management commits itself to improve in the proceeding recruitments	Resolved	
<ul style="list-style-type: none"> 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.	Management commits itself to outsource internal audit services in the meantime due to inadequate resources	Resolved	
<ul style="list-style-type: none"> Inventories Management internal Control Weakness. 	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	Adequate space has been created with proper	Resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

- (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.


.....
Wasilwa Juma
Principal/Secretary BOG

Date

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025

Appendix II- Inter-Entity Confirmation Letter

Name of transferring entity: Ministry of Education

Name of beneficiary entity: Bunyala Technical and Vocational College

Confirmation of amounts received by Bunyala TVC as at 30 th June 2025					
Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
	23/09/2024	732,188	-	732,188	Scholarship
	23/09/2024	839,690	-	839,690	Scholarship
	23/09/2024	3,201,525	-	3,201,525	Capitation
	25/09/2024	832,971	-	832,971	Scholarship
	27/09/2024	1,625,399	-	1,625,399	Scholarship
	14/02/2025	11,167,000	-	11,167,000	Capitation
Total		18,398,773		18,398,773	

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..... *J. R. Arnold* Sign *[Signature]* Date *28/11/2025*

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE
Annual Report and Financial Statements for the year ended 30th June 2025
