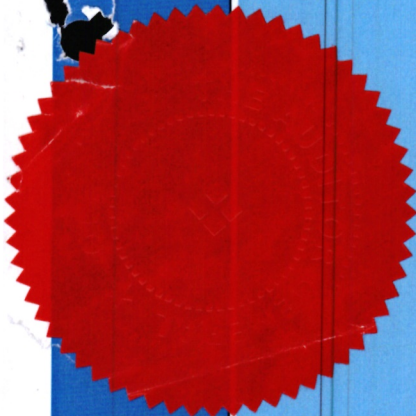
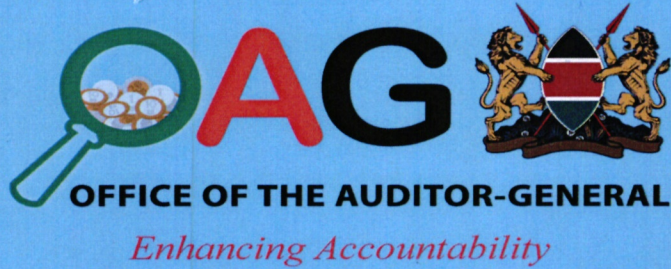


REPUBLIC OF KENYA



PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY

**REPORT** DATE: 25 JUL 2023

TABLED BY: HON Naomi Wago, MP  
Deputy Majority Leader  
OF THE ASSEMBLY  
Anne Shubuka

TUESDAY

**THE AUDITOR-GENERAL**

**ON**

**BUNYALA TECHNICAL AND  
VOCATIONAL COLLEGE**

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

11





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**BUNYALA TECHNICAL & VOCATIONAL COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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## **I. Key College 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 12<sup>th</sup> October 2017. The College is domiciled in Kenya, Busia County, along Bumala – Port Victoria road. The College is under the Ministry of Education, State Department for Vocational and Technical Training.

The College has seven academic and six non-academic departments supported by the finance, procurement, stores and Internal Audit functions.

### **(b) Principal Activities**

The principal mandate of the College is 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 training and for connected purposes as guided by the Constitution and Statutes of Kenya, and mandated regulatory and supervisory bodies.

### **MISSION**

Provision of a supportive environment suitable for innovation, holistic development and nurturing of technology and entrepreneurial skills.

### **VISION**

To provide training opportunities for innovation and transfer of relevant skills in technology and entrepreneurship.

### **MOTTO**

Technology and Innovation, the way of Life

### **Quality Statement**

We are committed to providing quality Technical and Vocational Education and Training (TVET) that is innovative, competency oriented and research based that shall consistently meet and exceed its customer requirements and expectations. The top management is committed to providing resources to achieve the college objectives through continual improvement of the quality management system by complying with set standards and other applicable requirements. The top management shall ensure that established quality objectives are suitable and sustainable through annual review.

### **(c) Key Management**

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

1. Board of governors
2. Principal
3. Deputy Principal
4. Registrar
5. Dean of Students

6. Heads of departments

**(d) Fiduciary Management**

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

No.	Designation	Name
1.	Principal	Mr. Emmanuel Biketi Wamalwa
2.	Deputy principal	Mr. Kefa Musumba Oduor
3	Deputy principal Academics	-
4	Head of Finance	Ms. Immaculate Namwakira
5	Registrar (s)	Mr. Winslaus Otunga
6	Dean of students	Mr. Fredrick Were
7	Procurement Officer	Simon Sinjagi Nandambala

**(e) Fiduciary Oversight Arrangements**

Name of Committee	Members
Finance Planning and Development Committee	1. Mr. Kemboi K. Josphat - Chairperson 2. Mrs. Caroline Wanyama 3. Mr. Ochoro D. Paul
Academic, Human Resource and Welfare Committee	1. Prof. Wilphredia Okumu-Bigambo – Chairperson 2. Mr Ochoro D. Paul 3. Ms. Martha Wekesa
Audit and Risk Management Committee	1. Mr. Ekuot David 2. Ms. Nakhulo Henrietta – Chairperson

**(f) College Headquarters**

Port Victoria  
P.O. Box 104 – 50410, Port Victoria  
Along Bumala – Port Victoria Road  
Busia County, KENYA

**(g) College Contacts**

Telephone: (+254) 758850414, (+ 254) 0722 437 056  
E-mail: [info@bunyalatvc.ac.ke/bunyalatvc@gmail.com](mailto:info@bunyalatvc.ac.ke/bunyalatvc@gmail.com)  
Website: [www.bunyalatvc.ac.ke](http://www.bunyalatvc.ac.ke)

**(h) College Bankers**

Kenya Commercial Bank  
Port Victoria Branch  
Account numbers  
1252563639  
1252563636  
1252563687




**(i) Independent Auditors**

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





**(j) Principal Legal Adviser**



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

**II. The Board of Governors**





No.	Member	Details
1.	 <p data-bbox="416 860 671 927">Mr Francis Rambui Chairman</p>	<p data-bbox="804 566 1353 786">Born on 4<sup>th</sup> January 1982. Holder of MBA Entreprenuership. 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.	 <p data-bbox="368 1413 719 1480">Prof. Wilphredian Okumu-Bigambo</p>	<p data-bbox="804 1081 1353 1301">Born on 22<sup>nd</sup> 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.	 <p data-bbox="363 1890 730 1921">Emmanuel Biketi Wamalwa</p>	<p data-bbox="804 1581 1353 1800">Born on 11<sup>th</sup> September 1973. Holder of M.Ed (Guidance and Counselling, B.Ed Tech), Dip in Ed. and Senior Management Course. Principal/Secretary BoG. Over 20 years' experience in teaching and administration in TVET</p>

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

4.	 <p>Mrs Henrietta Nakhulo Namava</p>	<p>Born on 29<sup>th</sup> June 1977. She is holder of Bachelor's degree in Education. She has more than 20 years' experience in teaching and advocacy</p>
5.	 <p>Mr. Kemboi Joseph</p>	<p>Born on 10<sup>th</sup> April 1971. He holds M.Phil. Economics and B.Ed. Arts. More than 12 years' experience teaching at the university of Eldoret.</p>
6.	 <p>Mr. David Aukot</p>	<p>Born on 24<sup>th</sup> April 1990. He holds a M.Sc in Information Systems</p>
7.	 <p>Mr. Daniel Ochoro</p>	<p>D.O.B 27<sup>th</sup> September 1960</p> <p>PhD Research and sustainable development</p> <p>Over 40 years' experience in teaching</p>

8.	 <p>Mrs Carolyne N.A. Wanyama</p>	<p>Born on 1<sup>st</sup> 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>
9.	 <p>Ms Martha Wekesa County Director Busia/Bungoma</p>	<p>Born in 1966. She holds an MSc in Food Science Technology. She has more than Over 25 years' experience working in TVET sector</p>

**III. Management Team**

No.	Member	Details
1.	 Emmanuel B. Wamalwa	Principal
2.	 Mr Oduor Keffa Musumba	Deputy Principal
3.	 Immaculate Namwakira	Finance Officer
	 Mr. Simon Sinjagi Nandambala	Procurement Officer

#### IV. **Chairman's Statement**

In the Financial Year 2021-2022, the College has continued to grow. This growth is shown by the continued increase in our enrolment. We have the courses that are attracting students and trainers who are committed to our values as we continue with our operations.



We continue to pursue our Strategic objectives as outlined in the Strategic Plan. Funds are tied to our core business of training and whatever we can put to use is in pursuance of our college strategic plan. It is a key consideration in our annual work plans and even our performance contracting.

As we enter the third year of our strategic plan, we are very alive to the fact that we have not achieved it in totality. This will be a major consideration as we continue and even come up with the strategy for the next planning period.

Our board is very engaged and concerned with activities of the College. This is expressed by attendance of board meetings and contributions of members in making resolutions. We are cognizant of the opportunity presented to enable us make an impact in society.

Our management team continues to grow in competence and their work is held in high esteem in the continued fulfilment of their duties. They implement board decisions with courage and boldness, obeying laws and regulations set and in place, and they always come up with ways to make the College a better place. Their initiatives are welcome and the board considers this in the resolutions.

Partners make our work enjoyable as we network and all contribute to the welfare of the College and Society in general. Special mention goes to the State Department of Vocational and Technical Training, in our parent ministry, the Ministry of Education. They do not tire to guide and direct in the pursuit and attainment of the aims of the Kenya Vision 2030, Mid-term plan III, Big Four agenda and the TVET Act. This has been our guiding vision and what we do is aligned to the Government plans for our great nation. Our partnership with KCB Foundation has had a great impact on the college as well as the society at large. There were over 200 trainees who benefited from the sponsorship by the Foundation under their 2Jiajiri and E4D programs.

This report details the College's activities and financial performance during the year, which show a College full of promise. That with continued and concerted efforts, Bunyala Technical and Vocational College shall be the place to be for acquisition of skills.

A handwritten signature in black ink, appearing to read 'Francis Rambui'. The signature is fluid and cursive, written over a thin horizontal line.

**Mr Francis Rambui**  
Chairman of the Board of Governors

## **V. Report of the Principal**

**B**unyala Technical and Vocational College (BTVC) continues to scale the early stages of development as a new and upcoming TVET institution. Management has established mechanisms to see the enrolment of the college grow. The year saw the institution work closely with the office of the President to raise its visibility by reaching out to the targeted group in villages. This has helped realise growth in enrolment from 550 to 770 as at 30<sup>th</sup> June 2022.



The college managed to construct a six door toilet to serve the increasing number of trainees. There are plans to construct more toilets in order to match the demand and remain compliant with the Public Health standards. We also managed to construct a tractor shed to accommodate the farm machinery and tractors that have been exposed to harmful weather patterns for some time. The shed has enabled us to gather together all farm machinery in one place.

The college has been experiencing a problem of scarcity of land for training general agriculture and agriculture engineering students on practicals. We requested the office of the President through the Deputy County Commissioner, Bunyala sub county for land which she allocated 8 acres for learning purposes. The land belongs to the National government. So far the agriculture department has already put the land underutilisation by our students for horticulture farming. Plans are underway to establish a tuition block to host the department at the farm.

In addition, insecurity has been an issue to be addressed in this institution. There have been rampant cases of petty theft where some items used to get lost in small numbers. To address this, we installed 18 CCTV cameras and immediate plans mooted to increase the number to 25. We have also installed fire-fighting equipment around the main block and the kitchen.

The new board of governors was appointed in February 2022 to take over from the previous board whose term expired in October 2021. We held a two days' induction for the board for members with facilitators from different sectors including the mainstream Ministry of Education. The workshop brought together 6 TVET institutions located in the five counties in the western region with a total attendance of 56 participants. Bunyala TVC was the coordinator for the workshop.

We also enrolled students in Five short term courses under the KCB Foundation's 2jijiri and E4D programmes. The programme enrolled a total of 200 students who undertook training for a period of 7 months. The students were subjected to very intensive competency based training with terminal examinations being from the National Industrial Training Authority (NITA). In addition, the college managed to register a total of 291 candidates for the KNEC examinations. The performance achieved was 73% on average.

In our quest to enhance training and offer practical knowledge to graduates from our institution and other colleges, we provided opportunities for internship and attachment for trainees. We successfully managed to attach a total of 11 trainees for both internship and attachment. The

college also participated in the regional TVET Fair where we presented various innovations cutting across three departments i.e. masonry, electrical and agriculture. We also presented a robot for the robot contest at the national level. Although our machine did not win, but our team learnt a good lesson to help us improve our performance on such matters.

Bunyala TVC is the national defending champion for volleyball women and currently is also the regional defending champion for the second year in a row. We hope to successfully defend our title at the national competition that is coming up later in the year. The institution also participated in soccer for men as well as athletics where we emerged position four in soccer in the regional championships.

We signed a performance contract with the national government in July 2021. Our team in charge of Performance Contracting ensured that we had most of our targets performed despite financial and staff shortages challenges. In the Performance Contract for the financial year 2020/2021, Bunyala TVC was among the colleges that managed to score a “good” remark. We look forward to either improve or retain the grade in the evaluation to be carried out later in the year.

A number of issues have been a hindrance to our performance making us not to achieve as per our budgetary allocations and work plans. Some of them include scarcity of water which had been budgeted to be drilled but due to inadequate funding, we unable to deliver on this target. We do not have adequate land for expansion and undertaking of other college functions especially related to training. We have plans to acquire more land if funds will be available.

The college also suffered from failure by the national government to disburse quarter four capitation amounting to Ksh. 3.9 million. We were also not able to receive our budgeted income from National Youth Service meant to be fees for the NYS trainees estimated at Ksh. 6.4 million. The Service only disbursed Ksh. 4.6 instead. We failed to receive all the money meant to have been disbursed by the Higher Education Loans Board (HELB). We were informed that the budgetary allocation to HELB was exhausted and was not enough to fund all the qualified applicants. Government policy of capitation has made parents to go slow on payment of fees especially considering that Busia and Budalang’i in particular are poverty stricken areas. The latest statistics from Kenyan National Bureau of Statics indicates that Busia is among the poorest counties in Kenya.

We have continued to take some important decisions that – whilst difficult – have enabled us to move more quickly towards protecting and strengthening our operations. These include the Public Private Partnerships for accommodation of students that provides the community surrounding the College with the opportunities to benefit economically directly from our students who come from all over the country.

In order to mitigate against the challenges realised, we have started implementing some plans to help increase our A-in-A. These plans include farming, workshop operations related to our plant machinery like lathe and injector testing machines. In addition to this, we purpose to maintain the current partnership with KCB Foundation as well as seeking to establish new ones with the aim of raising enrolment and realising increased enrolment.

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

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We also plan to enhance guidance and counselling services by improving the services offered by the department. We intend to broaden the approach by bringing more staff on board through the respective departments.

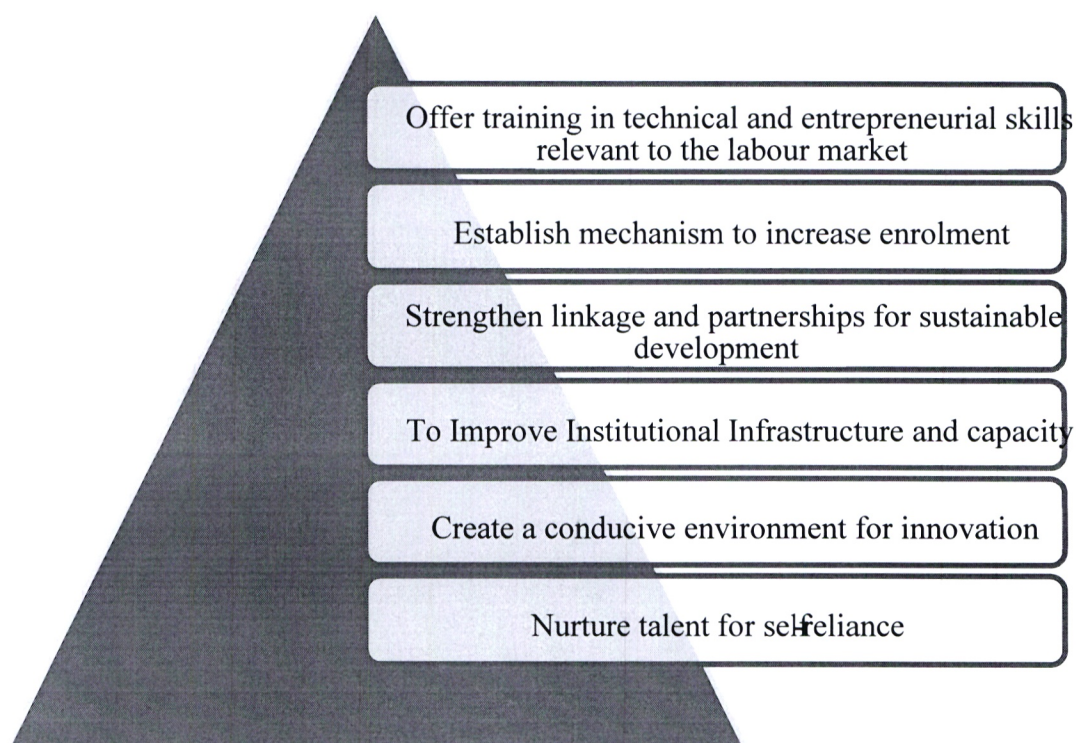
We remain focussed on ensuring that our first to come clients will be our trainees. We plan to improve in our service delivery both to trainees as well as parents and suppliers among others. The positive image generated is expected to help in generating an upbeat attitude among stake holders hence growth and expansion of the institution.



Mr Emmanuel Wamalwa  
**Principal/Secretary BoG**

**VI. Statement of Performance against Predetermined Objectives**

Bunyala TVC has 6 strategic pillars and objectives within its Strategic Plan for the FY 2021- 2025. These strategic pillars are as follows:



**Fig. 1: Strategic Pillars**

Bunyala Technical and Vocational College develops its annual work plans based on the 6 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 2020/2021 period for its 6 strategic pillars, as indicated in the diagram below:

<b>Strategic Pillar</b>	<b>Objective</b>	<b>Key performance indicators</b>	<b>Activities</b>	<b>Achievements</b>
<b>Pillar 1: training in technical and entrepreneurial skills relevant</b>	<ul style="list-style-type: none"> <li>✓ Practical training with relevant live example</li> </ul>	<ul style="list-style-type: none"> <li>✓ Quality training</li> <li>✓ Competent graduates</li> <li>✓ Efficient tools and equipment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Recruit competent staff</li> <li>✓ Utilize available resources</li> <li>✓ Establish and equip a Resource Centre i.e.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Efficient tools and equipment</li> <li>✓ Increased revenue</li> <li>✓ Correspondence with industry</li> </ul>

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
<b>to the labour market</b>	✓ Liaison with industry	<ul style="list-style-type: none"> <li>✓ Competent graduates</li> <li>✓ Increased revenue</li> <li>✓ e-library established</li> <li>✓ Hiring of a librarian</li> <li>✓ Improved teaching and learning standards</li> <li>✓ Committed Staff</li> <li>✓ Improved trainee discipline</li> <li>✓ Licence/approval of courses</li> <li>✓ Correspondence letters</li> <li>✓ Signed MOUs</li> <li>✓ Demand for training from industry</li> </ul>	<ul style="list-style-type: none"> <li>library and e- learning facilities</li> <li>✓ Develop, Implement and enforce the Academic Policy</li> <li>✓ Registration with regulatory bodies</li> <li>✓ Identify possible industry partners</li> <li>✓ Introduce market driven courses</li> </ul>	<ul style="list-style-type: none"> <li>✓ Academic tours</li> <li>✓ Liaison with industry on training gaps</li> <li>✓ Brochure indicating new Courses introduced</li> </ul>
<b>Pillar 2: Establish mechanism to increase enrolment</b>	✓ Intensify marketing and promotion of the college	<ul style="list-style-type: none"> <li>✓ Increased applications for HELB loans</li> <li>✓ Increased enrolment</li> <li>✓ Increased retention for trainees</li> <li>✓ Increased applications for HELB loans</li> <li>✓ Increased enrolment</li> <li>✓ High discipline</li> <li>✓ Reduced dropout rate</li> <li>✓ Appropriate teaching standards</li> <li>✓ Quality Manual</li> <li>✓ Unqualified Audit Reports</li> <li>✓ Land title deed for 5 acres</li> </ul>	<ul style="list-style-type: none"> <li>✓ Prepare and distribute sufficient brochures, install signage at strategic places, Carry out print, online and audio-visual media and road shows</li> <li>✓ Introduce work-study programme for trainees and internship</li> <li>✓ Facilitate trainees to apply for HELB</li> <li>✓ Enhance Guidance &amp; Counselling to trainees &amp; the general population</li> <li>✓ Develop and implement a Quality Management Manual</li> <li>✓ Establish sports grounds and acquire</li> </ul>	<ul style="list-style-type: none"> <li>✓ Increased visibility</li> <li>✓ Increased enrolment</li> <li>✓ Nation-wide enquiries</li> <li>✓ Reduced drop-out rate</li> <li>✓ Reduced fees arrears</li> <li>✓ Increased HELB Loan applications</li> <li>✓ Increase awareness</li> <li>✓ Informed selection of courses</li> </ul>

**Bunyala Technical & Vocational College**  
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Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
			relevant sports paraphernalia	
<b>Pillar 3:</b> Collaboration and Linkages	✓ Set up a network with the community and other Institutions	<ul style="list-style-type: none"> <li>✓ Appointment</li> <li>✓ Correspondence with collaborating institutions</li> <li>✓ Benchmark reports MOUs with collaborating institutions</li> <li>✓ Exchange programmes</li> <li>✓ Research paper</li> </ul>	<ul style="list-style-type: none"> <li>✓ Establish and operationalise the industry linkage office</li> <li>✓ Strengthen existing collaboration and linkages</li> <li>✓ Conduct Research to benefit collaborating institutions</li> </ul>	Reaching out to industry
<b>Pillar 4:</b> To Improve Institutional Infrastructure and capacity	✓ Improve Institutional Infrastructure	<ul style="list-style-type: none"> <li>✓ Completed road</li> <li>✓ Repair and maintenance schedules</li> <li>✓ Qualified staff deployed</li> <li>✓ Log book</li> <li>✓ Bus offering services</li> <li>✓ Driving license</li> <li>✓ Certificate of completion</li> <li>✓ Testing certificate</li> </ul>	<ul style="list-style-type: none"> <li>✓ Improve the college internal road network</li> <li>✓ Repair and maintain equipment</li> <li>✓ Acquire a college bus, driving school vehicle and utility car</li> <li>✓ Drilling water, installing desalination plant and distribution of water for consumption</li> </ul>	<ul style="list-style-type: none"> <li>✓ Improved access to the college</li> <li>✓ Efficient working equipment</li> <li>✓ Clean water in use</li> </ul>
	Improve ICT infrastructure	<ul style="list-style-type: none"> <li>✓ Improved performance</li> <li>✓ Enhanced supervision of duty</li> <li>✓ Installed LAN Cost effective communication</li> <li>✓ Functional EMITS</li> </ul>	<ul style="list-style-type: none"> <li>✓ Expand ICT infrastructure and Integrate in training programmes</li> <li>✓ Upgrade the existing Financial Management Information System</li> </ul>	<ul style="list-style-type: none"> <li>✓ Enhanced access to information</li> <li>✓ Creative and innovative training</li> <li>✓ E -learning facilities</li> <li>✓ Enhanced Internet Connectivity</li> <li>✓ Reliable &amp; effective information management system</li> </ul>
	Development of the Human Resource	<ul style="list-style-type: none"> <li>✓ TNA report Training</li> </ul>	<ul style="list-style-type: none"> <li>✓ Carry out Training Needs Assessment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Informed Decisions on staff Development Programmes</li> </ul>

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

Strategic Pillar	Objective	Key performance indicators	Activities	Achievements
		<ul style="list-style-type: none"> <li>✓ Certificates Improved performance</li> <li>✓ Appraisal report</li> <li>✓ Team building activities</li> <li>✓ Strong welfare</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>(TNA) and implement its report</li> <li>✓ Conduct Performance Appraisal</li> <li>✓ Establish and Strengthen staff welfare</li> </ul>	<ul style="list-style-type: none"> <li>✓ Budgetary allocation</li> <li>✓ Motivated staff</li> <li>✓ Team work among staff</li> </ul>
	Expand the college financial base	<ul style="list-style-type: none"> <li>✓ PU policy</li> <li>✓ Wages for production staff</li> <li>✓ Correspondence with donors</li> <li>✓ Procurement documents</li> <li>✓ Policy document on debt/revenue collection</li> </ul>	<ul style="list-style-type: none"> <li>✓ Operationalise the Production Unit</li> <li>✓ Funds mobilisation through proposals to both NGO and GoK agencies</li> <li>✓ Improve methods of revenue collection</li> </ul>	<ul style="list-style-type: none"> <li>✓ Operational PU committee</li> <li>✓ Increased income</li> <li>✓ Functional IGAs</li> <li>✓ Increased number of funded projects</li> <li>✓ Increased funding</li> <li>✓ Reduced arrears</li> <li>Reduced debt/equity ratio</li> </ul>
<b>Pillar 5: Create a conducive environment for innovation</b>	Acquire relevant tools and equipment	<ul style="list-style-type: none"> <li>✓ Budgetary allocation</li> <li>✓ Procurement documents</li> <li>✓ Physical items in place</li> </ul>	<ul style="list-style-type: none"> <li>✓ Allocate funds for the procurement of tools and equipment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Designs for development/production</li> <li>✓ Requisitions</li> <li>✓ Exhibitions</li> </ul>
	Construct innovation centre	<ul style="list-style-type: none"> <li>✓ Completion certificate</li> </ul>	<ul style="list-style-type: none"> <li>✓ Construction of a workshop</li> </ul>	<ul style="list-style-type: none"> <li>✓ Complete workshop with innovations rooms</li> </ul>
<b>Pillar 6: Nurture talent for self-reliance</b>	<ul style="list-style-type: none"> <li>✓ Diversify sources and increase funding</li> </ul>	<ul style="list-style-type: none"> <li>✓ Recruit competent sports officer</li> <li>✓ Identify/scout for talented trainees</li> </ul>	<ul style="list-style-type: none"> <li>✓ Operational office with competent sports officer</li> <li>✓ Competitive teams</li> </ul>	<ul style="list-style-type: none"> <li>✓ Implementation of the Budget and procurement plan as a Control tool</li> </ul>

*The College* develops its annual work plans based on the above 4 pillars. Assessment of the performance against its annual work plan is done on a quarterly basis. The College achieved some of its performance targets set for the FY 2021/22 period for its 4 strategic pillars, as indicated in the diagram below:

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

## **CORPORATE GOVERNANCE STATEMENT**

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

## **BOARD OF GOVERNORS**

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

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

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

The board has established a process of performance evaluation for the board and individual board members. This evaluation will be carried out by the end of the first year of service for this board which is yet to complete one year.

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

## **BOARD COMMITTEES**

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

The board has currently established the following committees:

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

## **STAFF AND STUDENT WELFARE**

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

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

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

## **BOARD CHARTER**

### **1. PURPOSE**

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

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

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

### **2. ROLE OF THE BOARD**

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

### **3. MATTERS RESERVED FOR THE BOARD**

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

### **4. DELEGATION OF AUTHORITY**

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

### **5. COMPOSITION OF THE BOARD**

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

#### **5.1. Appointment and Remuneration of Board members**

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

### **6. BOARD INDEPENDENCE**

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

### **7. ACCESS TO INFORMATION AND INDEPENDENT ADVICE.**

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

## **8. BOARD INDUCTION AND TRAINING**

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

## **9. BOARD EVALUATION**

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

## **10. ROLE OF THE CHAIR AND SECRETARY**

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

The Role of the Chair shall be to:

- a) Provide leadership to the Board and ensure its effectiveness in all aspects of its role. The Chair shall set the Board agenda with the assistance of the Secretary who is the Principal.
- b) Facilitate the effective contribution of governors and encourage constructive relations between governors.
- c) Monitor attendance at Board meetings;

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

The role of the Secretary shall be to:

- a) Ensure that the policies spelt out by the Board in the College's overall corporate strategy are implemented;
- b) Identify and recommend to the board competent officers to manage the operations of the College. In the fulfilment of this duty, the Secretary should ensure that the College's human resources policy is adhered to;
- c) Co-ordinate the operations of the various departments within the College;
- d) Establish and maintain efficient and adequate internal control systems;
- e) Design and implement the necessary management information systems in order to facilitate efficient and effective communication within the College
- f) Ensure that the Board is frequently and adequately appraised about the operations of the College through presentation of relevant board papers, which must cover, but are not limited to, the following areas:
  - ✓ Actual performance compared with the past performance and the budget together with explanations of all the variances.
  - ✓ Capital structure and adequacy.
  - ✓ Performance; in particular, problem touching on students, courses and provisions.
  - ✓ Income and expenses.
  - ✓ Income: sources and distribution profile.
  - ✓ Report on violation of laws and remedial activities undertaken to ensure compliance with the guidelines.
  - ✓ Large exposures.
  - ✓ KENAO, internal and audit committee reports.
  - ✓ Any other areas relevant to the College's operations.

- ✓ Ensure that the College complies with all the relevant and applicable laws in the execution of its operations.
- ✓ Any other duties as may be assigned by the Board from time to time.

### **11. DUTIES OF BOARD MEMBERS**

Each Board member shall have the fiduciary duty to—

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

### **12. THE SECRETARY**

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

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

### **13. BOARD COMMITTEES**

- a) The Board may discharge any of its responsibilities through Board Committees appointed from amongst its members' subject to the applicable laws.
- b) The Board has established the following committees:
  - 1. Academic, Human resource and Welfare committee
  - 2. Audit & Risk Management committee
  - 3. Finance, Planning & Development committee
- c) The Board shall appoint the Chairpersons of the Committees and shall approve appropriate terms of reference for the Committees.
- d) Reporting obligations:

- ✓ The Committees shall report to the Board on matters referred to it by the Board and on the proceedings following each meeting of the committee. The report shall include findings, matters identified for specific recommendation to the Board, action points and any other issues as deemed appropriate.
  - ✓ The committees shall liaise with each other in so far as it is expedient to effectively perform their different roles.
- e) The Board remains collectively responsible for the decisions of any committee and shall review the effectiveness and performance of committees annually.
- f) The Board may be required to establish other committees from time to time.

#### **14. CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS**

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

#### **15. CODE OF CONDUCT**

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

#### **16. BOARD MEETINGS**

The Board meets at least once quarterly in accordance with exigencies of business. The Board Almanac is prepared in advance. Adequate notice is given for each board meeting, the agenda and board papers are circulated in good time. The first BoG term expired on 5<sup>th</sup> October 2021 and the second BoG was appointed on 17<sup>th</sup> March 2022 and inaugurated on 28<sup>th</sup> April 2022. This informs the difference in the names of members present in the meeting attendance. The first board held 2 meetings in July and September 2021 while the second board held 2 meetings as well. During these meetings the Board reviewed the College's performance against the planned strategies and also approved issues of strategic nature. The attendance of the board meetings during the financial year 2021/2022 was as follows:

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

**Board Of Governors Meeting Attendance As At 30th June 2021**

S/NO	NAME	ATTENDANCE			
		DATE	DATE	DATE	DATE
		07/7/2021	28/09/2021	28/04/2022	15/06/2022
1.	Mr. Francis Rambui	Present	Present	Present	Present
2.	Ms. Martha Wekesa	Present	Present	Present	Present
3.	Prof. Wilphredian Okumu Bigambo	Present	Present	Present	Present
4.	Ms. Alice Keboga	Present	Present		
5.	Mr. Peter Mudy	Present	Present		
6.	Mrs. Pauline Nagila	Present	Absent		
7.	Caroline A. Wanyama	Present	Present	Present	Present
8.	Eng. Alloyce Achoka Luduba	Present	Present		
9.	Josephat Kemboi			Present	Present
10.	Duncan Ochoro			Present	Present
11.	David Ekuot			Present	Present
12.	Henrietta Nakhulo Namava			Present	Present

**Board Induction/Training**

S/N	NAME	DATE	DATE
		05/052022	06/052022
1.	Mr. Francis Rambui	Present	Present
2.	Ms. Martha Wekesa	Present	Present
3.	Prof. Wilphredian Okumu Bigambo	Present	Present
4.	Mr. Josephat Kemboi	Present	Present
5.	Mr. Duncan Ochoro	Present	Present
6.	Mr. David Ekuot	Present	Present
7.	Ms. Caroline A. Wanyama	Present	Present
8.	Ms. Henrietta Nakhulo Namava	Present	Present

**Board Committees**

S/N	NAME	HUMAN RESOURCE
		DATE
		21/07/2021
1.	Prof. Wilphredian Okumu Bigambo	Present
2.	Ms. Alice Keboga	Present
3.	Mrs. Pauline Nagila	Present
		FINANCE COMMITTEE
		28/9/2021
1.	Eng. Alloyce Achoka	Present
2.	Ms. Caroline A. Wanyama	Present

## 17. REMUNERATION OF BOG MEMBERS

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

Below is a summary of entitlement per Board Member

Type of payment	Chairman	Member	Remark
	Allowance	Allowance	
Sitting allowance (per meeting)	15,000	12,000	
Transport allowance	5,000	5,000/3,000	Outside county/within the county
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.

## 18. BOARD PERFORMANCE

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

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

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

## **19. RELATIONS WITH STAKEHOLDERS**

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

## **20. TERMS OF REFERENCE**

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

**Bunyala Technical & Vocational College**  
**Board of Governors**

**VII. Management Discussion and Analysis**

**Operational & Financial Performance**

Below is a summary of our financial performance the last four financial years:

*All figures are in Kenya Shillings.*

	<b>2021/2022</b>	<b>2020/2021</b>
<b>Income</b>	37,212,188	13,006,136
<b>Expenditure</b>	35,266,458	12,916,827
<b>Surplus</b>	1,945,730	89,309

***Key Projects and Investment decisions the College is planning/ implementing***

**Construction of six door toilet**

The toilet was constructed and is now complete. This has helped to ease the pressure on the two toilets that have been in existence.



*Fig. 1: six door toilet*

**Construction of tractor shed**

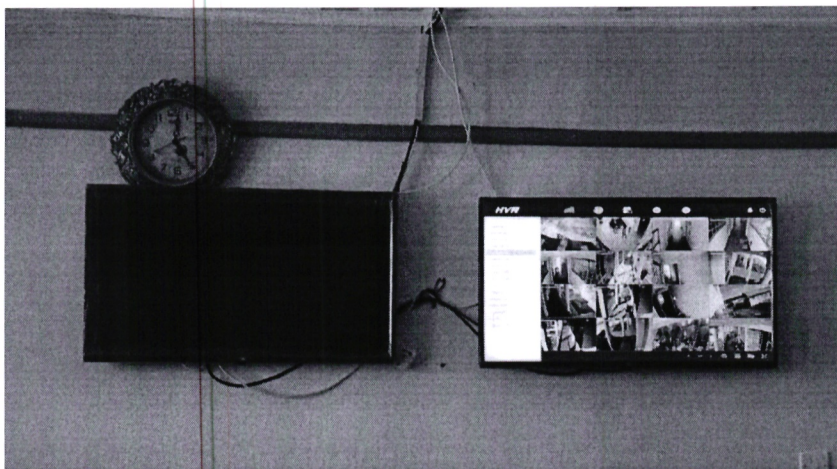
The college successfully constructed a tractor shed which is being used to have safe custody of all our farm machinery including the tractors.



*Fig. 2: tractor shed*

**Installation of CCTV cameras**

The board also managed to install 18 CCTV cameras which have really helped to beef up security especially in the computer laboratory. The cameras were mainly in and around the main building.



*Fig. 3: CCTV camera screens in principal's office*

### **Major risks facing BTVC**

Major risks to the college are:

- i) Low student numbers: We are conducting several college marketing initiatives and are hopeful they will boost the student enrolment numbers come the next financial year and in the years to follow.
- ii) The success of our college is dependent upon our ability to attract and retain key personnel, including trainers and technicians.
- iii) We are dependent upon the disbursement of funds from our parent Ministry for execution of our budgets and programs. Failure to receive disbursement or delayed disbursements really affect our operations.
- iv) It may not be possible to claim or collect from the government capitation for financial period past even when our returns were in order. It is also difficult to collect on grant promises which are factored into our budgets.
- v) Project proposal negotiation and funding from the Ministry of Education is outside our control and the proposal terms may change in the future.
- vi) The substantial majority of our revenue is derived from a limited number of sources. During the year ended 30 June 2022, those sources that represented greater than 10% of our total revenue were:
  - a. Trainee fees collection: 84% of our total revenue
  - b. Capitation and govt. disbursements: 66% of our total revenue
- vii) College fee revenue from our trainees is a significant portion of overall revenue. There is need to diversify our revenue sources away from student led revenue streams to enhance sustainability.
- viii) Competition for trainees is highly competitive in Kenya, we have to make sure that the calibre of our training programs is of high standard so that our trainees will be our No. 1 marketers. This increased competition could cause our profitability to decline unless appropriate measures are instituted to mitigate against this risk.
- ix) A cyber-attack on or disruption to our IT systems or other systems utilized in our operations could compromise our operations, adversely impact our reputation and subject us to sub optimal operations.
- x) Inability to take up insurance policies could expose us to significant losses.
- xi) We are subject to governmental regulation and other legal obligations related to privacy, data protection, data security and safeguarding. Our actual or perceived failure to comply with such obligations could harm our college.

### **Material arrears in financial obligations**

The pending bills at the close of the financial year stood at Kshs 200,000 – two hundred thousand only.

### **Compliance with Statutory Requirements**

The college endeavours to comply with statutory requirements and the main areas of compliance is to pay for staff the NHIF, NSSF, PAYE and to make the quarterly and annual returns complying with PFM Act, 2012 and circulars/directives from the Ministry of Education, the

Presidency and other coordinating agencies such as KUCCPS, KATTI., TVETA and other public agencies.

**Financial Probity and serious governance issues**

The National Treasury has released guidelines on financial reporting, which we have complied with in this financial year for all previous quarters. No major financial improbity has been brought to our attention by the Treasury department. Being the first point of oversight, the Board in its calendar has scheduled quarterly meetings of the Audit & risk management committee to strengthen the oversight on the execution of the budget.

**VIII. Environmental and Sustainability Reporting Statement**

Since the signing of the TVET Act 2013 and its subsequent operationalization, the true spirit of Technical & Vocational Training as a social responsibility has been shining through the continuous opening and investment in the operations of TVET Colleges. At Bunyala Technical & Vocational College, we are committed to the highest standards of corporate citizenship. Our culture and values are rooted in service, integrity, and taking responsibility for our actions, outcomes, and reputation. As a college, we impart skills to trainees. These skills are intended to empower trainees with employable skills and connect people with employment opportunities and make a difference in the communities in which we live and work. Given the worldwide span of the labour market, clients, suppliers, and partners, we recognize the global reach of our trainees and their practice and our public accountability.

Our Social responsibility initiatives are built around the following critical areas.

**Providing sustainable benefits for our stakeholders.**

Bunyala Technical & Vocational College recognises that our operations impact many lives and livelihoods directly and indirectly. We continuously update our stakeholders on developments on our mandate of Vocational & Technical Training and ensure we are well equipped to provide information that is helpful and timely for decision making.

**Minimising our impact on the environment both directly and through what we do with our stakeholders.**

We recognize the shared responsibility to protect our planet. Although our facilities and operations have a small ecological footprint, we reduce the environmental impact of our business through preservation, conservation, and waste reduction practices.

**Providing support for the well-being and development of staff.**

We take seriously our responsibilities to protect, support, and prepare workers for successful careers, and to advocate on their behalf. Our efforts are focused on providing career opportunities and resources to the global workforce, and leading by example in areas such as workplace safety, health and wellness, diversity and inclusion, and training and development. We believe in

opportunity for all and are steadfast in our commitment to equal employment opportunity, the protection of human rights, and the continuous development and capacity building of staff.

**Developing meaningful partnerships with our suppliers.**

Bunyala Technical & Vocational College management understands that it takes all of us working together to truly have an impact. As such, we partner with organizations in the community to improve lives and society as a whole – by engaging in activities such as national cohesion activities, reserving procurement opportunities for quotas, working with people with disabilities, student body activities, procurement sensitization workshop among other initiatives. We also seek to engage with suppliers who operate using socially responsible business practices.

**Continuous development of our governance and transparency.**

Bunyala Technical & Vocational College is committed to doing the right thing, conducting ourselves in a legal, ethical, and trustworthy manner, upholding our regulatory obligations, and complying with both the letter and spirit of our policies.

We are individually and collectively accountable for upholding our corporate social responsibility commitments. We encourage participation across our organization, and we will work with external stakeholders to continually contribute to the imparting and improvement of skills and abilities, and ensure our actions are socially, ethically, and environmentally responsible.

**IX. Report of the Board of Governors**

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

**Principal activities**

The principal activities of the College continue to be 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 2022 are set out on page 1 to 8.

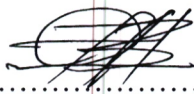
**Board of Governors**

The members of the Board who served during the year are shown on page vii-viii.

**Auditors**

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

By Order of the Board



.....  
**Emmanuel Wanyama**  
Secretary to the Board  
Bunyala  
Date: 16<sup>th</sup> May 2023

**X. Statement of Board of Governors' Responsibilities**

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

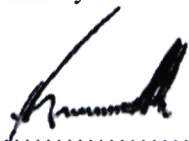
The Board members are responsible for the preparation and presentation of the *College's* financial statements, which give a true and fair view of the state of affairs of the *College* for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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, and (vi) making accounting estimates that are reasonable in the circumstances.

The Board members accept responsibility for the *College's* financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *the TVET Act, 2013*. The Board members are of the opinion that the *College's* financial statements give a true and fair view of the state of *College's* transactions during the financial year ended June 30, 2022, and of the *College's* financial position as at that date. The Board members further confirm the completeness of the accounting records maintained for the *College*, which have been relied upon in the preparation of the *College's* financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The *College's* financial statements were approved by the Board on 23<sup>rd</sup> September 2022 and signed on its behalf by:



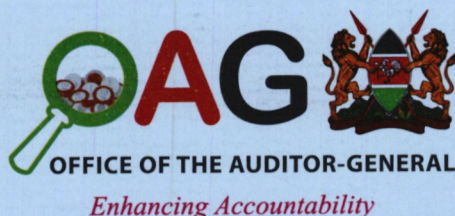
.....  
Chairperson of the Board



.....  
Accounting Officer/ Principal

# REPUBLIC OF KENYA

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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, 2022**

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of Bunyala Technical and Vocational College set out on pages 1 to 21, which comprise of the statement of financial

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*Report of the Auditor-General on Bunyala Technical and Vocational College for the year ended 30 June, 2022*

position as at 30 June, 2022 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

### **Basis for Qualified Opinion**

#### **Property, Plant and Equipment - Unsupported Additions to Buildings**

The statement of financial position reflects a balance of Kshs.61,490,305 in respect of property, plant and equipment which as disclosed under Note 22(a) to the financial statements, includes an amount of Kshs.2,973,622 representing additions during the year. Further, the amount of Kshs.2,973,622 includes Kshs.2,433,039 relating to construction of a tractor shed and pit latrine. However, the Bills of Quantity, completion and handing over certificates were not provided for audit review.

In the circumstances, the accuracy and completeness of the balance Kshs.2,973,622 included in the property, plant and equipment balance of Kshs.61,490,305 could not be confirmed.

The 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 Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

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

The statement of comparison of budget and actual amounts reflects total actual revenue on comparable basis of Kshs.37,212,188 and total revenue budget of Kshs.47,552,081

resulting to underfunding of Kshs. 9,639,893 or 20% of the budget. Similarly, the actual expenditure was Kshs.35,266,458 against final budget of Kshs.49,236,881 resulting to under-expenditure of Kshs.12,292,606 or 24 % of the budget.

The shortfall in revenue and under-expenditure constrained execution of planned activities and affected delivery of services to the public.

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

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Follow Public Procurement and Disposal Act, 2015**

The statement of financial performance reflects a balance of Kshs.23,872,687 in respect of use of goods and services which, as disclosed under Note 11 to the financial statements. Included is an amount of Kshs.6,245,294, Kshs.2,505,260 and Kshs.950,850 relating to examination expenses, boarding expenses and stationary respectively. The respective amounts include Kshs.1,776,537, Kshs.861,543 and Kshs.837,420 that were not in the annual procurement plan and which were procured through direct procurement. This was contrary to Section 91(1) and (2) of the Public Procurement and Assets Disposal Act, 2015 which states that open tendering shall be the preferred procurement method for procurement of goods, works and services and the procuring entity may use an alternative procurement procedure only if that procedure is allowed and satisfies the conditions under the Act.

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

## **2. Staff Ethnic Diversity**

Review of human resource records revealed that during the year under review, the College had a total 63 employees. However, 50 employees or 79% of the total employees were from the same ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

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

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

#### **Basis for Conclusion**

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

#### **Responsibilities of Management and 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 overall 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 terminate the College or to cease its operations.

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

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

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

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

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

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

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

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the College to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the College to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

14 June, 2023

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE  
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XII. Statement of Financial Performance

	Notes	2021/2022	2020/2021
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Transfers from the National Government	6	11,715,000	7,762,500
Transfers from other levels of government	7	4,686,400	0
<b>Total Revenue from non-exchange transactions</b>		<b>16,401,400</b>	<b>7,762,500</b>
<b>Revenue from exchange transactions</b>			
Rendering of services- Fees from students	8	19,759,820	4,836,436
Sale of goods	9	150,000	328,700
Other income	10	900,968	78,500
<b>Revenue from exchange transactions</b>		<b>20,810,788</b>	<b>5,243,636</b>
<b>Total revenue</b>		<b>37,212,188</b>	<b>13,006,136</b>
<b>Expenses</b>			
Use of goods and services	11	23,872,687	7,072,498
Employee costs	12	6,011,291	2,798,732
Board allowances	13	2,191,700	725,450
Depreciation and Amortization Expense	14	2,661,308	1,661,667
Repairs and maintenance	15	347,980	658,480
Contracted services	16	150,000	0
Bank Charges	17	31,491	0
<b>Total expenses</b>		<b>35,266,457</b>	<b>12,916,827</b>
<b>Net Surplus for the year</b>		<b>1,945,730</b>	<b>89,309</b>

The notes set out on pages 6 to 22 form an integral part of the Annual Financial Statements.


BUNYALA TECHNICAL AND VOCATIONAL COLLEGE  
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XIII. Statement of financial position

	Notes	2021/2022 Kshs	2020/2021 Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	18	9,247,883	615,326
Current portion of receivables from exchange transactions	19	2,409,783	9,827,447
Receivables from non- exchange transactions	20	0	2,880,000
Inventory	21	1,398,130	
<b>Total Current Assets</b>		<b>13,055,796</b>	<b>13,322,773</b>
<b>Non-current assets</b>			
Property, plant and equipment	22	61,490,305	60,394,736
Intangible assets	23	1,566,745	
<b>Total Non-current Assets</b>		<b>63,057,050</b>	<b>60,394,736</b>
<b>Total assets</b>		<b>76,112,845</b>	<b>73,717,509</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	24	200,000	2,576,824
Refundable deposits	25	3,017,330	190,900
<b>Total Current Liabilities</b>		<b>3,217,330</b>	<b>2,767,724</b>
<b>Total liabilities</b>		<b>3,217,330</b>	<b>2,767,724</b>
<b>Capital and Reserves</b>			
Accumulated surplus		12,925,304	10,979,574
Capital grants		59,970,211	59,970,211
<b>Total Reserves</b>		<b>72,895,515</b>	<b>70,949,785</b>
<b>Total Liabilities and Reserves</b>		<b>76,112,845</b>	<b>73,717,509</b>

The Financial Statements set out on pages 01 to 05 were signed on behalf of the Institute Board of Governors by:

  
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**Francis Rambui**  
Chairman of Board of Governors

  
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**Immaculate Namwakira**  
Finance Officer

  
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**Emmanuel Wamalwa**  
Principal

Date 19/5/2023

ICPAK No...28178.....  
Date 19/5/2023

Date 19/5/2023

BUNYALA TECHNICAL AND VOCATIONAL COLLEGE  
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XIV. Statement of changes in net asset for the year ended 30 June 2022

	Notes	Revaluation Reserves	Accumulated Surplus	Capital/Development Grants/Funds	Total (Kshs)
<b>As at 1 July 2021</b>			<b>10,890,265</b>	<b>55,265,520</b>	<b>66,155,785</b>
Revaluation gain			-	-	-
Transfer of excess depreciation on revaluation			-	-	-
Adjustments during the period			-	-	-
Surplus/Deficit for the Year			89,309	-	89,309
Capital/Development Grants received during the year			-	4,704,691	4,704,691
Transfer of depreciation from capital fund to retained earnings			-	-	-
<b>At June 30, 2021</b>		<b>-</b>	<b>10,979,574</b>	<b>59,970,211</b>	<b>70,949,785</b>
<b>As at 1 July 2021</b>		<b>-</b>	<b>10,979,574</b>	<b>59,970,211</b>	<b>70,949,785</b>
Revaluation gain			-	-	-
Transfer of excess depreciation on revaluation			-	-	-
Adjustments during the period			-	-	-
Surplus/Deficit for the Year			1,945,730	-	1,945,730
Capital/Development Grants received during the year			-	-	-
Transfer of depreciation from capital fund to retained earnings			-	-	-
<b>As at June 30th, 2022</b>		<b>-</b>	<b>12,925,304</b>	<b>59,970,211</b>	<b>72,895,515</b>

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XV. Statement of cash flows for the year ended 30 June 2022

	Notes	2021/2022	2020/2021
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from other government entities	6&7	16,401,400	7,762,500
Rendering of services		16,616,570	4,836,436
Sale of goods	9	150,000	328,700
Other Income	10	900,968	78,500
<b>Total Receipts</b>		<b>34,068,938</b>	<b>13,006,136</b>
<b>Payments</b>			
Use of goods and services		23,872,687	7,072,498
Employee Costs	12	6,011,291	2,798,732
Remuneration to Directors	13	2,191,700	725,450
Repairs and Maintenance	15	347,980	658,480
Contracted Services	16	150,000	-
Bank Charges	17	31,491	-
<b>Total Payments</b>		<b>32,605,149</b>	<b>13,242,542</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>1,463,789</b>	<b>-236,406</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets	22& 23	(5,323,622)	-
Proceeds from sale of property, plant and equipment		-	-
Decrease/(Increase) in non-current receivables		12,492,390	-7,722,296
<b>Net cash flows from/(used in) investing activities</b>		<b>7,168,768</b>	<b>-7,722,296</b>
<b>Cash flows from financing activities</b>			
Increase in capital grants		-	-
<b>Net cash flows from/(used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,632,557</b>	<b>-7,958,702</b>
Cash and cash equivalents at 1 JULY, 2021		615,326	8,574,028
<b>Cash and cash equivalents at 30 JUNE, 2022</b>		<b>9,247,883</b>	<b>615,326</b>

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XVI. Statement of comparison of budget and actual amounts for the year ended 30 June 2022

	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Performance difference	Utilization Difference
	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022	2021-2022
	Kshs	Kshs	Kshs	Kshs	Kshs	%
<b>Revenue</b>						
Transfers from the National Government	17,640,000	0	17,640,000	11,715,000	5,925,000	66%
Transfers from other levels of Government	6,371,200	(1,684,800)	4,686,400	4,686,400	0	100%
Rendering of services	23,586,640	-	23,586,640	19,759,820	3,826,820	84%
Sale of goods	500,000	-	500,000	150,000	(350,000)	30%
Other Income	1,139,041	-	1,139,041	900,968	238,073	79%
<b>Total Income</b>	<b>49,236,881</b>	<b>(1,684,800)</b>	<b>47,552,081</b>	<b>37,212,188</b>	<b>9,639,893</b>	<b>68%</b>
<b>Expenses</b>						
Use of goods and services	39,330,381	-	39,330,381	23,872,688	15,457,694	61%
Employee Costs	6,850,200	-	6,850,200	6,011,291	(838,909)	88%
Remuneration to Council	1,860,000	-	1,860,000	2,191,700	(331,700)	118%
Depreciation & amortization expense	-	-	-	2,661,308	(2,661,308)	-
Repairs and Maintenance	1,161,300	-	1,161,300	347,980	813,320	30%
Contracted Services	-	-	-	150,000	(150,000)	-
Bank charges	35,000	-	35,000	31,491	3509	90%
<b>Total expenditure</b>	<b>49,236,881</b>	<b>-</b>	<b>49,236,881</b>	<b>35,266,458</b>	<b>12,292,606</b>	<b>71%</b>
<b>(Deficit)Surplus for the period</b>		<b>(1,684,800)</b>	<b>(1,684,800)</b>	<b>1,945,730</b>	<b>(2,652,713)</b>	

**BUDGET NOTES**

1. The College received funds from NYS and KCB Foundation
2. Budalang'i NG-CDF had promised to fund construction of the kitchen but had not been achieved as at June 30<sup>th</sup> 2022.
3. Poor fees payments by students due to total dependence on CDF/County government bursaries that account for very little money, HELB, and government capitation. High poverty index in Bunyala Sub-County and Busia County at large.
4. Tractors failed to plough targeted farms due to challenge of finding relevant spare parts in Kenya.
5. Capacity building workshops, procurement of examination materials and college marketing were undertaken among other projects
6. 6. Lack of funds led to the College cutting down on low priority expenditure.

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XVIII. Notes to the financial statements

**1. General Information**

Bunyala Technical & Vocational College is established by and derives its authority and accountability from TVET Act. The College is wholly owned by the Government of Kenya and is domiciled in Kenya. The College's principal activity is 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.

**2. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the *College's* accounting policies.

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

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

**Adoption of New and Revised Standards**

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

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

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

Standard	Effective date and impact:
IPSAS 42: Social Benefits	<b>Applicable: 1<sup>st</sup> January 2023</b> The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting College provides in its financial statements about social benefits. The

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Standard	Effective date and impact:
	information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the College; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the College's financial performance, financial position and cash flows. <b>This will require disclosure of College contributions in areas such as NSSF Contributions paid and outstanding and any other benefits afforded to the staff and administration.</b>

iii. **Early adoption of standards**

*(The College)* did not early-adopt any new or amended standards in year 2022.

3. **Summary of Significant Accounting Policies**

a) **Revenue recognition**

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

**Transfers from other government entities**

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

ii) **Revenue from exchange transactions**

**Rendering of services**

The College recognizes revenue from rendering of services at the point of inception of service.

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 College.

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**b) Budget information**

The original budget for FY 2021/2022 was approved by the Board on 27<sup>th</sup> January 2021. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

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

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

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

**c) Taxes**

*Current income tax*

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

**d) Property, plant and equipment**

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

*Impairment of financial assets*

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

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- The debtors or an College of debtors are experiencing significant financial difficulty
- The probability that debtors will enter bankruptcy or other financial reorganization

***Financial liabilities***

***Initial recognition and measurement***

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

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

***Loans and borrowing***

After initial recognition, borrowings are subsequently measured at balance remaining outstanding at the reporting date.

**e) Nature and purpose of reserves**

The College creates and maintains reserves in terms of specific requirements. *(College to state the reserves maintained and appropriate policies adopted).*

**f) Changes in accounting policies and estimates**

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

**g) Employee benefits**

**Retirement benefit plans**

The College provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans which are mandatory contributions under the NSSF Statute.

**h) Related parties**

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

**i) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, Bank account balances include amounts held at the Kenya Commercial Bank at the end of the financial year.

**j) Comparative figures**

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

**k) Subsequent events**

The College received the final report from the Office of the Attorney General for the previous three financial years. The observations and recommendations therein have yet to be implemented and acted upon. The comparative figures thus presented are from those adopted by the auditors.

**4. Significant Judgments and Sources of Estimation Uncertainty**

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

**5. 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

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6. (a) TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Unconditional grants</b>		
Capitation grant	11,715,000	7,762,500
<b>Total Unconditional Grants</b>	<b>11,715,000</b>	<b>7,762,500</b>

(b) TRANSFERS FROM MINISTRIES, DEPARTMENTS AND AGENCIES

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 transfers 2021/22	Prior year 2020/2021
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Education	11,715,000	-	-	11,715,000	7,762,500
<b>Total</b>	<b>11,715,000</b>	<b>-</b>	<b>-</b>	<b>11,715,000</b>	<b>7,762,500</b>

7. TRANSFERS FROM OTHER LEVELS OF GOVERNMENT

Description	2021-2022	2020-2021
	Kshs	Kshs
NYS	4,686,400	0
<b>Total Transfers</b>	<b>4,686,400</b>	<b>0</b>

8. RENDERING OF SERVICES

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Fees	13,925,428	978,790
Personnel Emolument	1,356,180	1,039,445
Local travel & transport	670,720	562,485
Medical	136,200	40,700
Electricity, Water & Conservancy	329,320	550,200
Activity	318,340	542,355
Student Council	283,310	23,200
Repair, Maintenance & improvement	864,520	254,625
Students I.D Cards	86,500	60,000
Registration	244,100	3,000
Examination	133,440	44,750
Attachment	702,182	513,650
Contingencies fee	105,200	16,200
Application fee	107,000	50,586
Student Passport	69,200	48,000
Administration Cost	428,180	108,450
<b>Total revenue from rendering of services</b>	<b>19,759,820</b>	<b>4,836,436</b>

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9. SALE OF GOODS

Description	2021-2022	2020-2021
	Kshs	Kshs
Tractor hire	150,000	328,700
<b>Total revenue from the sale of goods</b>	<b>150,000</b>	<b>328,700</b>

10. OTHER INCOMES

Description	2021-2022	2020-2021
	Kshs	Kshs
Sale of Tender	0	63,500
Water Bowser	10,000	15,000
BOG Induction fee from other institutions	890,968	0
<b>Total other income</b>	<b>900,968</b>	<b>78,500</b>

11. USE OF GOODS AND SERVICES

Description	2021-2022	2020-2021
	Kshs	Kshs
Boarding expenses	2,505,260	834,583
STATIONERY	950,850	-
DSTV Subscription	10500	-
Internet Services	234000	-
Tuition Expenses	3,784,424	1,337,975
Local Travel & Transport Expenses	3,079,265	1,302,055
Activity Expenses	1,482,345	138,800
Electricity Water And Conservancy Expenses	1,028,522	243,256
Medical Expenses	16,140	3,200
Marketing And Publicity	511,500	51,500
Examinations Expenses	6,245,294	1,314,975
Administrative Expenses	728,193	714,820
Tender Expenses	2,900	22,000
Tractor Expenses	1,710,754	240,555
Industrial attachment	277,140	3,000
Production unit	152,235	596,816
Income tax paid	72,136	124,000
Consultancy	60,000	93,590
Insurance	150,509	51,373
Regulatory Bodies	307,500	
Pit latrine	270,120	
Student Council Expenses	293,100	
<b>Total Use of Goods and Services</b>	<b>23,872,687</b>	<b>7,072,498</b>

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12. EMPLOYEE COSTS

Description	2021-2022	2020-2021
	Kshs	Kshs
Salaries and wages	5,140,323.35	2,311,806
NHIF	148,250	121,750
NSSF	439,058	360,912
PAYE	11,935	4,264
Staff training	62,200	0
Staff expenses	100,210	
HELB Recoveries	109,315	
<b>Total Employee costs</b>	<b>6,011,291</b>	<b>2,798,732</b>

RECONCILIATION OF EMPLOYEE COST		Kshs
Balance as per schedules		6,658,785
Less; Overstated salary		647,494.00
<b>Total employee cost</b>		<b>6,011,291</b>

13. REMUNERATION OF DIRECTORS

Description	2021-2022	2020-2021
	Kshs	Kshs
B.O.G Sitting allowance	697,200	725,450
B.O.G Transport allowance	280,000	
B.O.G Per diem	220,500	
B.O.G Induction	916,100	
B.O.G Meals	71,900	
Airtime	6,000	
<b>Total director emoluments</b>	<b>2,191,700</b>	<b>725,450</b>

14. DEPRECIATION AND AMORTIZATION

Description	2021-2022	2020-2021
	Kshs	Kshs
Buildings	1,425,733	1,397,297
Furniture and fittings	251,188	189,075
Computers	163,584	41,625
Office equipment	37,549	33,670
Intangible assets	783,254	
<b>Total depreciation and amortization</b>	<b>2,661,308</b>	<b>1,661,667</b>

15. REPAIRS AND MAINTENANCE

Description	2021-2022	2020-2021
	Kshs	Kshs
General repairs	347,980	658,480
<b>Total Repairs and Maintenance</b>	<b>347,980</b>	<b>658,480</b>

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16. CONTRACTED SERVICES

Description	2021-2022	2020-2021
	Kshs	Kshs
Contracted Services	150,000	-
<b>Total repairs and maintenance</b>	<b>150,000</b>	<b>-</b>

17. BANK CHARGES

Description	2021-2022	2020-2021
	Kshs	Kshs
KCB-Fees Account	23,711	-
KCB-Operations Account	2,622	-
KCB-Production Unit Account	5,158	-
<b>Total Bank Charges</b>	<b>31,491</b>	<b>-</b>

18. a) CASH AND CASH EQUIVALENTS

Description	2021-2022	2020-2021
	Kshs	Kshs
Current accounts	9,197,833	593,436
Others (Cash in hand)	50,050	21,890
<b>Total cash and cash equivalents</b>	<b>9,247,883</b>	<b>615,326</b>

18 b). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS

Financial institution	Account number	2021-2022	2020-2021
		Kshs	Kshs
<b>a) Current account</b>			
Kenya Commercial bank	1252563639	8,434,666	282,808
Kenya Commercial bank	1252563736	83,789	33,411
Kenya Commercial bank	1252563787	679,378	277,217
<b>Sub- total</b>		<b>9,197,833</b>	<b>593,436</b>
<b>b) Others(specify)</b>			
cash in hand		50,050	21,890
<b>Sub- total</b>		<b>50,050</b>	<b>21,890</b>
<b>Grand total</b>		<b>9,247,883</b>	<b>615,326</b>

19. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Description	2021-2022	2020-2021
	Kshs	Kshs
Student debtors	2,237,840	9,697,347
Staff debtors	171,943	130,100
<b>Total current receivables</b>	<b>2,409,783</b>	<b>9,827,447</b>

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**20. RECEIVABLES FROM NON EXCHANGE TRANSACTIONS**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Fourth quarter capitation	0	2,880,000
<b>At end of year</b>	<b>0</b>	<b>2,880,000</b>

**21. INVENTORY**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Central stores	1,398,130	-
<b>Total inventories at the lower of cost and net realizable value</b>	<b>1,398,130</b>	<b>-</b>

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22. (a) PROPERTY, PLANT AND EQUIPMENT

Description	Land	Buildings	Computers & ICT	Furniture and fittings	Office Equipment	Capital Work in progress	Total
		2.50%	33.33%	12.50%	12.50%		
Cost	Shs		Shs	Shs	Shs	Shs	Shs
<b>As At 1 July 2020</b>	<b>5,200,000</b>	<b>50,528,225</b>	<b>100,000</b>	<b>1,306,250</b>	<b>217,237</b>	-	<b>57,351,712</b>
Additions	-	4,068,071	-	584,500	52,120	-	4,704,691
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-
<b>As At 30th June 2021</b>	<b>5,200,000</b>	<b>54,596,296</b>	<b>100,000</b>	<b>1,890,750</b>	<b>269,357</b>	-	<b>62,056,403</b>
Additions	-	2,433,039	390,800	118,750	31,033	-	2,973,622
Disposals	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-
<b>As At 30th June, 2022</b>	<b>5,200,000</b>	<b>57,029,335</b>	<b>490,800</b>	<b>2,009,500</b>	<b>300,390</b>	-	<b>65,030,025</b>
<b>Depreciation and impairment</b>							
<b>At 1 July 2020</b>	-	-	-	-	-	-	-
Depreciation	-	1,397,297	41,625	189,075	33,670	-	1,661,667
On Disposals	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-
<b>As At 30 June 2021</b>	-	<b>1,397,297</b>	<b>41,625</b>	<b>189,075</b>	<b>33,670</b>	-	<b>1,661,667</b>
Depreciation	-	1,425,733.38	163,584	251,188	37,549	-	1,878,053
On Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-
<b>As At 30th June, 2022</b>	-	<b>2,823,030</b>	<b>205,209</b>	<b>440,263</b>	<b>71,219</b>	-	<b>3,539,721</b>
<b>Net book values</b>							
<b>As At 30th June, 2022</b>	<b>5,200,000</b>	<b>54,206,305</b>	<b>285,591</b>	<b>1,569,238</b>	<b>229,171</b>	-	<b>61,490,305</b>
<b>At 30 June 2021</b>	<b>5,200,000</b>	<b>53,198,999</b>	<b>58,375</b>	<b>1,701,675</b>	<b>235,687</b>	-	<b>60,394,736</b>

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**22. (b) PROPERTY, PLANT AND EQUIPMENT**

Description	Cost	Accumulated Depreciation	NBV
Land	5,200,000	-	5,200,000
Building	57,029,335	2,823,030	54,206,305
Computers	490,800	205,209	285,591
Furniture and Fittings	2,009,500	440,263	1,569,238
Plant and Equipment	300,390	71,219	229,171
Work In Progress	-	-	0
<b>Total</b>	<b>65,030,025</b>	<b>3,539,721</b>	<b>61,490,305</b>

**23. INTANGIBLE ASSETS**

Description	2021-2022	2020-2021
Cost	Kshs	Kshs
<b>At the beginning of the year</b>	<b>2,350,000</b>	-
Additions	-	-
<b>At end of the year</b>	<b>2,350,000</b>	-
Additions-internal development	-	-
<b>At end of the year</b>	<b>2,350,000</b>	-
<b>Amortization and impairment</b>		
<b>At the beginning of the year</b>	-	-
Amortization at the rate of 33.33%	783,255.00	-
<b>At the end of the year</b>	<b>783,255</b>	-
Impairment loss	-	-
<b>At the end of the year</b>	<b>783,255</b>	-
<b>NBV</b>	<b>1,566,745</b>	-

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade payables	200,000	2,183,561
Student Prepaid fees	-	393,263
<b>Total trade and other payables</b>	<b>200,000</b>	<b>2,576,824</b>

**25. REFUNDABLE DEPOSITS**

Description	2021-2022	2020-2021
	Kshs	Kshs
Prepaid student fees	2,310,330	-
Caution money	707,000	190,900
<b>Total refundable deposits</b>	<b>3,017,330</b>	<b>190,900</b>

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**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 institution's management based on prior experience and their assessment of the current economic environment.

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

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

**(ii) Liquidity risk management**

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

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances

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due within 12 months equal their carrying balances, as the impact of discounting is not significant.

**(iii) Market risk**

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

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

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

**26. RELATED PARTY BALANCES**

**Nature of related party relationships**

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

**Government of Kenya**

The Government of Kenya is the principal shareholder of the Bunyala Technical and Vocational College, holding 100% of the Bunyala Technical and Vocational College 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; Ministry of Education
- iii) Key management;
- iv) Board of Governors;
- v) Kenya Agriculture and Livestock Research Organization
- vi) Higher Education Loans Board (HELB)
- vii) Bunge Technical Training Institute
- viii) KCB Foundation

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**27. EVENTS AFTER THE REPORTING PERIOD—IPSAS 14**

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

**28. ULTIMATE AND HOLDING ENTITY**

The entity is a Semi- Autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

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

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XIX.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	Focal Point person to resolve the issue (Name and designation)	Status:	Timeframe:
				(Resolved / Not Resolved)	(Put a date when you expect the issue to be resolved)



Mr Emmanuel Wamalwa  
 Principal

Date: 16<sup>th</sup> May 2023

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XX.APPENDIX II: Inter-Entity Transfers

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<b>Break down of Transfers from the State Department of VOCATIONAL AND TECHNICAL TRAINING</b>			
<b>FY 2021/2022</b>			
c. Direct Payments			
	<u>Bank Statement Date</u>	<u>Amount (Kshs)</u>	<u>Indicate the FY to which the amounts relate</u>
FT21328FRYWQ	24/11/2021	3,915,000	2021/2022
FT22061MP692	02/03/2022	3,915,000	2021/2022
FT221541GNBX	03/06/2022	3,885,000	2021/2022
	<b>Total</b>	<b>11,715,000</b>	

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

Principal  
 Bunyala TVC

Head of Accounting Unit  
 Ministry of Education State department of VTT

Sign  .....

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