

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

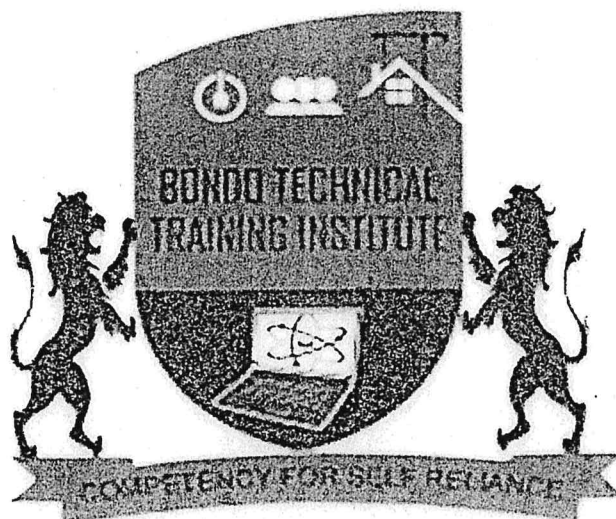
**BONDO TECHNICAL TRAINING INSTITUTE**

**FOR THE YEAR ENDED  
30 JUNE, 2020**

|                                    |            |
|------------------------------------|------------|
| THE NATIONAL ASSEMBLY<br>P/11/2020 |            |
| DATE: 03 MAR 2022                  | DAY: Thurs |
| TABLED BY:                         | LDM        |
| CLERK-AT THE-TABLE:                | C. Ndiritu |







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BONDO TECHNICAL TRAINING INSTITUTE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
30<sup>th</sup> June 2020

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





# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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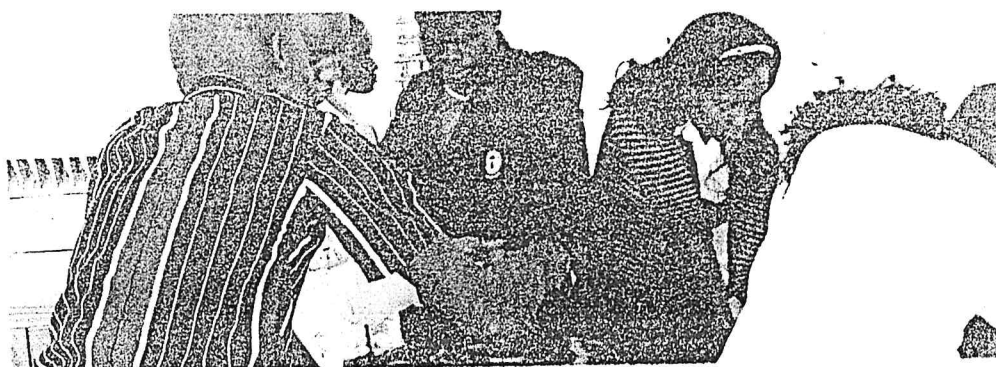
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# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## KEY ENTITY INFORMATION AND MANAGEMENT

### (a) Background information

Bondo Technical Training Institute is one of the institutes that were recently constructed and registered as technical training institute in the country. It is in Siaya County, Bondo Sub-County, 5 kilometers along Barkowino Misori Road. It is a public institution. Its construction is planned to take place in Five Phases. The First Phase of the development of the T.T. I is already completed. This phase comprises of a Building and Civil Engineering Complex. The complex consists of 13 classrooms, Soil Mechanics laboratory, Topology laboratory, Material testing laboratory, Computer laboratory, Technical Drawing Room, 10 lecturers' offices, a staffroom, a kitchen, Head of Department's office and a small departmental library, and of course the necessary ladies and Gents small rooms. There are also three workshops, for Plumbing, Masonry, and Carpentry. Each of the workshops has a store and a classroom and a preparation room. Finally the phase one project also has a lecture the later hall that can also be used for other purposes. As at now, the college has a capacity of 1,000 students. But when the five phases are completed the institute should be able handle over 5,000 students.



The college is now running. We had our first admission on May 11th, 2015, when 57 students were admitted into various courses that we advertised, namely:

1. Building Technology
2. Civil Engineering
3. Land Survey
4. Quantity Survey
5. Certificate in Plumbing
6. ICT, and many other business and engineering courses at both Diploma and Certificate levels

Professionals in the building industry who have visited the institute have all agreed that the institute is well equipped to provide quality training to the building industry. But it is not only training that we aspire to provide services of, but also research, material testing and any other services that may be necessary to the building industry.

Phase II, III IV and V of our development will cover other engineering field, e.g. electrical, ICT, mechanical and even the hotel industry. In all the areas that we hope to provide training and services in, producing competent graduate for whichever industry remains our greatest inspiration.



## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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All in all, I wish to invite all aspiring to be students of this institute to visit the college any time of the day and learn more about us. Bondo T. T. I is a public institution and therefore belongs to the public. Both our doors and gates are open to the public at any working day and time

### (b) Principal Activities

The Key activities of the Institution is providing technical, vocational & entrepreneurship training and instilling research and innovation techniques in trainees.

The Institution is also engaged in collaborating with relevant industries/ companies in order to produce competent graduates and nurturing trainees' talents in co- curricular activities.

#### 1. Vision

To be a world class Technical Training Institute in the provision of technical, vocational, entrepreneurship training and research.

#### 2. Mission

To work in partnership with relevant stakeholders in providing high quality technical, vocational, entrepreneurship training, research and innovation to produce globally competitive graduates.

#### 3. Core values

- Competence
- Discipline
- Environmental stewardship
- Equity
- Hard work
- Innovation
- Integrity
- Quality
- Teamwork
- Transparency and accountability

### (c) Key Management

The Bondo Technical Training Institute *day-to-day* management is under the following key organs:

- Board of Governors
- B.O.G Secretary/ Principal
- Deputy Principals
- Registrar
- Dean of Students

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## (d) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

| No. | Designation                        | Name                  |
|-----|------------------------------------|-----------------------|
| 1.  | Principal                          | Mr. Peter Omondi      |
|     | Deputy Principal<br>administration | Mrs. Elizabeth Okullu |
|     | Deputy Principal<br>Academics      | Mr. Luke Sawanda      |
| 2.  | Head of Finance                    | Mr. Benson Opany      |
|     | Human Resource                     | Mr. Andrew Agulo      |
| 3.  | Head of Procurement                | Miss Maureen Obonyo   |
| 4.  | Head of Stores                     | Miss Juline Nyakako   |
|     |                                    |                       |



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## (e) Fiduciary Oversight Arrangements

| COMMITTEE                                | MEMBERS   |
|--|---|
| Executive Committee                      | 1. Mr. C.T. Akumu Owuor- Chairperson<br>2. Mr. Peter Omondi- Secretary<br>3. Mr. Felix Oketch<br>4. Dr. Peter Odhiambo<br>5. Ms. Isabella Lumumba |
| Education Training Research & Innovation | 1. Prof. Enose Simatwa- Chairperson<br>2. Peter Omondi – Secretary<br>3. Dr. Kennedy Odiwuor<br>4. Dr. Wenwa Akinyi<br>5. Mr. Lucas Ocharo        |
| Finance and General Purpose              | 1. Dr. Kennedy Odiwuor- Chairperson<br>2. Mr. Peter Omondi- Secretary<br>3. Dr. Peter Otieno<br>4. Miss Ruth Kamau<br>5. Mr. Lucas Ocharo         |
| Risk and Audit                           | 1. Mr. Felix Oketch – chairperson<br>2. Ms Isabella Lumumba<br>3. Prof. Enose Simatwa   |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## (f) Bondo Technical Training Institute Headquarters

### Physical Contact

Bondo Technical and Training Institute  
Along Bondo-Misori Road

## (g) Bondo Technical Training Institute Contacts

Bondo Technical and Vocational Training  
P.O. Box 377-40601  
Bondo  
Telephone :0572041555  
E-mail: bondotti@yahoo.com  
Website: www.bondotti.ac.ke

## (h) Bondo Technical Training Institute Bankers

1. Equity Bank of Kenya  
Bondo Branch  
P.O Box 261- 40601  
Bondo
2. Kenya Commercial Bank  
Bondo Branch  
P.O Box 598- 40601  
Bondo
3. Cooperative Bank of Kenya  
Bondo Branch  
P.O Box 380 - 40601  
Bondo

## (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







# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## BOARD OF GOVERNORS



| NAME   | PROFESSION   | Previous Work Experience  |
|--|--|---|
|  <p>C. T. Akumu Owuor<br/>(BOG Chairman)</p>                      | <p>Master of Arts<br/>Educational<br/>Administration<br/>currently he is the<br/>Director TVET<br/>Programs at the<br/>Technical University of<br/>Kenya</p> | <p>Mr Akumu was appointed to the Board on the 8<sup>th</sup> July 2015 and his term renewed on the 5<sup>th</sup> October 2018. He served as Principal of various TVET institutions, notably, Mombasa Polytechnic and is currently the Director TVET Programs at Technical University of Kenya. Date of birth 1/2/1952.</p>                                       |
|  <p>Peter Omondi<br/>(Principal/BOG Secretary)</p>               | <p>Master's Degree in<br/>Educational<br/>Management</p>   | <p>Mr Omondi is currently the Principal Bondo Technical Training Institution (Started the Institution). He has worked at Musakasa Technical Training Institute as the Principal (Started the Institution), Ramogi Institute of Advanced Technology (Deputy Principal), Kisumu Polytechnic (HOD Applied Sciences, Dean of Students). Date of birth 12/06/1963.</p> |
|  <p>Dr. Enose<br/>Makokha Wambulwa<br/>Simatwa<br/>(Member)</p> | <p>PhD – Educational<br/>Administration<br/>currently he is Lecturer's<br/>at the Maseno<br/>University</p>  | <p>Dr Makokha is an Associate Professor and a Senior Lecturer in Educational Management and Foundations at Maseno University. He also is acting Dean, School of Education, Tom Mboya University College (a constituent college of Maseno University). He was appointed to the Board on the 5<sup>th</sup> October 2018. Date of birth 5/9/1955.</p>               |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

|   |   |   |
|---|---|---|
|  <p>Isabella N. Lumumba<br/>(Member)</p>           | <p>Master of Arts (Project Planning &amp; Management currently she is a Director at the Ufanisi Resort Ltd</p>      | <p>Ms Isabella was a lecturer at Delaware Technical Community College – USA and Kirinyaga Technical College. She is currently the Director Finance at Ufanisi Resort Ltd – Kisii County. She was appointed to the Board on the 5<sup>th</sup> October 2018.<br/>Date of birth 04/03/1966.</p>   |
|  <p>Ruth Waithira Kamau<br/>(Member)</p>           | <p>BSc Health Systems Management currently works as a Senior Associate Technical Lead at the Lexlink Consulting</p> | <p>Ms Kamau is a registered clinical officer with the Ministry of Health. She is a professional in health programs and systems. Currently working with Lexlink Consulting as Senior Associate. She was appointed to the Board on the 5<sup>th</sup> October 2018.<br/>Date of birth 17/03/1976.</p>   |
|  <p>Dr. Wenwa Akinyi Odinga<br/>(Member)</p>      | <p>PhD currently Lecturers at the Nairobi University</p>  | <p>Dr Wenwa was first appointed to the Board on the 8<sup>th</sup> July 2015 and reappointed for the second term on the 5<sup>th</sup> October 2018. She is a Senior Lecturer in Organic Chemistry at the Department of Chemistry, University of Nairobi. She has served as an Ambassador – Kenya Consulate, Los Angeles, United States of America.<br/>Date of birth 17/06/1951.</p> |
|  <p>Dr. Kennedy Odiwuor Okong'o<br/>(Member)</p> | <p>Bsc. Geomatic Engineering currently works as an ICT Consultant at Vantage Collabo – Global UAE</p>               | <p>Dr Okong'o is a freelance ICT Consultant Specialized in e – governance, Infrastructure Planning and Policy Research currently working with Vantage – Collabo Global, UAE. He was appointed to the Board on the 5<sup>th</sup> October 2018.<br/>Date of birth 16/4/1982.</p>   |



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020



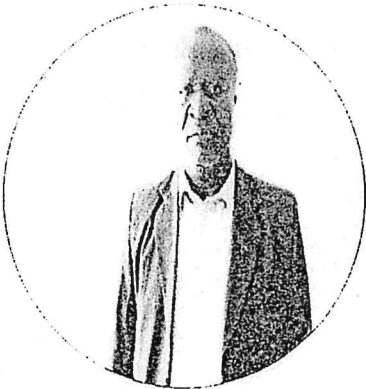
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|---|--|--|
|  <p>Peter Otieno Odhiambo<br/>(Member)</p> | <p>County Education<br/>Director – Siaya<br/>County</p>                        | <p>Mr Otieno is currently the<br/>County Director of Education –<br/>Siaya County.<br/>Date of birth 21/06/1971.</p>   |
|  <p>Felix Otieno Oketch<br/>(Member)</p>  | <p>Head of Legal Services<br/>&amp; Compliance - Siaya<br/>County Assembly</p> | <p>Mr Otieno is a lawyer working<br/>as a senior Legal Counsel with<br/>Siaya County Assembly. He has<br/>previously served as a Legal<br/>Researcher in the Commission<br/>for the Implementation of the<br/>Constitution (CIC), Nairobi. He<br/>was appointed to the Board on<br/>the 5<sup>th</sup> October 2018.<br/>Date of birth 15/09/1988.</p> |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

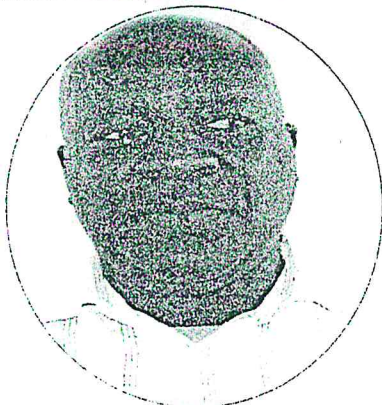


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|--|--|---|
| <div data-bbox="124 472 528 846" data-label="Image"> </div> <div data-bbox="177 891 518 1086" data-label="Caption"> <p>Fanuel Onyango<br/>MBA: ( HRM) Kenyatta<br/>University<br/>BED: (Business Studies)<br/>Kenyatta University</p> </div> | <p>Director TVET –<br/>Kisumu and Siaya<br/>Counties</p> | <p>Fanuel Onyango is currently<br/>the County Director TVET –<br/>Kisumu and Siaya Counties.<br/>He has a wealth of<br/>experience in Education<br/>Management and has served<br/>as Principal and Deputy<br/>Principal, in various<br/>institutions. He has been a<br/>Dean of Students, Head of<br/>Department, Teacher Trainer<br/>in a Diploma College,<br/>Lecturer, and teacher in High<br/>School. He has done work<br/>for Kenya National<br/>Examinations Council<br/>(KNEC) and has also been<br/>involved in Curriculum<br/>Development &amp; Consultancy<br/>in small and medium-sized<br/>enterprises.</p> |
|--|--|---|

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## MANAGEMENT TEAM




| Name of the Staff   | Responsibility                  |
|---|---------------------------------|
| <br>Mr. Peter Omondi   | Principal / B.O.G Secretary     |
| <br>Mrs Elizabeth Okullu<br>(B.A Communication Skills and English)                                      | Deputy Principal Administration |
| <br>Mr Luke Sawanda Odera<br>Master of Education, Kenyatta University<br>Major: Educational Management | Deputy Principal academics      |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020




| Name of the Staff  | Responsibility   |
|--|--|
|  <p data-bbox="376 651 632 719">Mr. Dan Akula<br/>( B.A sciences Ed )</p>               | <p data-bbox="1046 450 1270 483">Dean of studies</p>                                   |
|  <p data-bbox="360 1189 663 1256">Mr Peter Akello<br/>(higher Dip Electrical)</p>      | <p data-bbox="1102 965 1230 999">Registrar</p>   |
|  <p data-bbox="336 1715 703 1794">Mr. Simon Odende<br/>(higher Dip. Construction)</p> | <p data-bbox="927 1480 1430 1559">H.O.D Building &amp; Civil Engineering<br/>Dept.</p> |




# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

| Name of the Staff   | Responsibility   |
|---|--|
|  <p data-bbox="228 801 751 875">Mr. Jonah Okoth<br/>(Higher National Dip. Electrical Eng.)</p> | <p data-bbox="948 600 1353 674">H.O.D Electrical &amp; Electronics<br/>Engineering Dept.</p> |
|  <p data-bbox="293 1339 692 1413">Mr. Aloo David<br/>(Dip in Technical Education)</p>         | <p data-bbox="1002 1122 1305 1160">H.O.D Business Dept.</p>                                  |
|  <p data-bbox="328 1854 663 1926">Mr. Eugene Otolo<br/>(B.A Computer Science)</p>            | <p data-bbox="1018 1653 1299 1691">H.O.D I.C.T Dept.</p>                                     |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

| Name of the Staff  | Responsibility  |
|--|---|
|  <p data-bbox="280 779 727 853">Ms. Mary Omondi<br/>(B.A Community Development)</p> | <p data-bbox="1018 517 1302 551">H.O.D Liberal Dept.</p>      |
|  <p data-bbox="379 1249 643 1323">Benson Opany<br/>(Bcom, CPA Sec IV)</p>          | <p data-bbox="1062 1066 1273 1099">Finance Officer</p>        |
|  <p data-bbox="328 1615 703 1691">Mr. Andrew Owino Agulo<br/>(Bcom HRM, IHRM)</p> | <p data-bbox="1002 1480 1350 1514">Human Resource Officer</p> |

BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
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| Name of the Staff  | Responsibility      |
|--|---------------------|
| <br>Ms. Maureen Obonyo<br>(Advance Dip) | Procurement Officer |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## CHAIRMAN'S STATEMENT

Bondo TVC is a TVET Institution established to provide post primary technical and entrepreneurial skills to students up to diploma level. The core mandate of Bondo TVC is to offer training in TVET programmes.

The 1<sup>st</sup> Board of Governors of this college was appointed on 29/4/2015 and expired on 28/4/2018. The current Board of Governors was appointed on 05/10/2018. This Board comprises of 9 members; 3 female and 6 male. The Principal is the BOG Secretary. The Board meets quarterly to deliberate on the matters concerning the college. The following are the BOG Committees: -

- i. Executive
- ii. Education, Training, Research & Innovation
- iii. Finance & General Purpose
- iv. Risk & Audit

### Finance

Bondo TVC being a Government funded institution, it majorly depends on Government funding for sustainability. The college is currently faced with financing gaps which have had negative impact on the desired implementation of activities.

The Board hereby commits to prudently manage the college's resources and be accountable in the implementation of the projects.

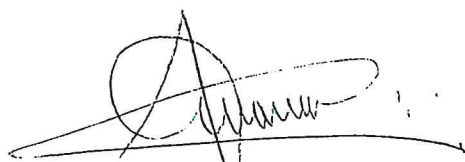
### Projects

The College has mentored Ugunja TVC to a good completion and is currently mentoring Nyando TVC.

The 1<sup>st</sup> phase of the proposed construction of Applied Science Complex is progressing well at 95% completion rate.

### Enrolment

Based on the Government's commitment to support the education of the youth in Kenya through capitation, Bondo TVC has experienced tremendous increase in enrolment with students admitted from different parts of the country. The current student population is 1,883.



MR. C.T. AKUMU OWUOR  
B.O.G CHAIRMAN



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## REPORT OF THE PRINCIPAL

### 1. GOK FINANCE

Bondo Technical and Vocational College is a Government funded college under the state department of vocational and technical training. Bondo TCV is therefore officially registered and licensed by TVETA. This college foresees itself as a major player in the science and technology sub-sector in the realization of Kenya's Vision 2030 and the Government's "Big Four" agenda. Our core mandate is to train students, majorly on areas that will enable them to be self-reliant or fit in the job markets in sectors such as building, manufacturing and health.

### 2. INFRASTRUCTURE

The institute's 1st phase of Development is basically the Building and Civil Engineering Department. It consists of a tuition block of 13 classrooms, 5 laboratories, 10 lecturers' offices, HOD office, departmental library and a small kitchen. There are also three workshops and a lecture hall. Currently the 1<sup>st</sup> phase of the applied science complex is at 95% completion rate.

### 3. GOK EQUIPMENT

This college has received state of the art learning equipment for survey, soil testing, material testing, plumbing, carpentry, masonry, hydraulics, pneumatics and assorted furniture for offices and students, from the Government of Kenya.

### 4. INTERNET CONNECTIVITY AND WEB SITE

We have now procured internet connectivity from Telkom and Safaricom. We consider these services extremely essential not only for administrative purposes but also for students use in the library and those studying ICT. We have also placed the institute in the website from where interested applicants may now see us and down load our application form. The website is [www.bondotti.ac.ke](http://www.bondotti.ac.ke)

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 5. COURSES AND STUDENTS' ENROLMENT

Currently we have a total of 1883 students. The distribution of students is summarized in the tables below;

| <i>S/No</i> | <i>Course Title</i>                             | <i>Course Level</i> | <i>Enrolment</i> |
|-------------|---|---------------------|------------------|
| 1.          | <i>Civil Engineering</i>                        | <i>Diploma</i>      | <i>132</i>       |
| 2.          | <i>Land survey</i>                              | <i>Diploma</i>      | <i>106</i>       |
| 3.          | <i>Building technology</i>                      | <i>Diploma</i>      | <i>134</i>       |
| 4.          | <i>Building technology</i>                      | <i>Certificate</i>  | <i>113</i>       |
| 5.          | <i>Survey and mapping</i>                       | <i>Certificate</i>  | <i>77</i>        |
| 6.          | <i>Plumbing</i>                                 | <i>Certificate</i>  | <i>105</i>       |
| 7.          | <i>Artisan in Plumbing</i>                      | <i>Artisan</i>      | <i>137</i>       |
| 8.          | <i>Road construction</i>                        | <i>Certificate</i>  | <i>03</i>        |
| 9.          | <i>Artisan in Masonry</i>                       | <i>Artisan</i>      | <i>94</i>        |
| 10.         | <i>Information communication<br/>technology</i> | <i>Diploma</i>      | <i>124</i>       |
| 11.         | <i>Information communication<br/>technology</i> | <i>Certificate</i>  | <i>89</i>        |
| 12.         | <i>Electrical and electronics eng.</i>          | <i>Diploma</i>      | <i>113</i>       |
| 13.         | <i>Electrical and electronics eng.</i>          | <i>Certificate</i>  | <i>155</i>       |
| 14.         | <i>Artisan in electrical</i>                    | <i>Artisan</i>      | <i>72</i>        |
| 15.         | <i>Business management</i>                      | <i>Diploma</i>      | <i>54</i>        |
| 16.         | <i>Human resource management</i>                | <i>Diploma</i>      | <i>56</i>        |
| 17.         | <i>Supply chain management</i>                  | <i>Diploma</i>      | <i>85</i>        |
| 18.         | <i>Accountancy</i>                              | <i>Diploma</i>      | <i>34</i>        |
| 19.         | <i>Business management</i>                      | <i>Certificate</i>  | <i>23</i>        |
| 20.         | <i>Human resource management</i>                | <i>Certificate</i>  | <i>08</i>        |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020**

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|              |                                |                    |             |
|--------------|--------------------------------|--------------------|-------------|
| 21.          | <i>Supply chain management</i> | <i>Certificate</i> | <i>54</i>   |
| 22.          | <i>Social work</i>             | <i>Diploma</i>     | <i>49</i>   |
| 23.          | <i>Social work</i>             | <i>Certificate</i> | <i>66</i>   |
| <i>Total</i> |                                |                    | <i>1883</i> |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## 6. STAFFING

This college has a total of 58 teachers of which 13 are posted by Public Service Commission while 45 are employed by the Board of Governors.

The non-teaching staff are 22 employed on permanent and pensionable terms while 9 are on casual terms. We have had 2 interns in the FY 2019/2020

## 7. Examination

Our examination bodies are mainly KNEC and NITA. During Kneec November Series 2019 a total of 233 sat for the examinations and 271 in July 2019 series.

## 8. TVET FAIR 2019

Bondo TVC is an ardent participant in the TVET Fair since its inception in 2015. This year the college was awarded 1<sup>st</sup> position during National Tvet Fair in the building category.

## 9. Mentorship

Having successfully mentored Ugunja TVC to completion, the college is currently mentoring Nyando TVC which is still in the initial stages of hoarding / site clearing.

## 10. Achievements

During the FY 2019/2020 the college has managed to purchase a school bus of 51 seater. This would go a long way in supporting the educational programmes of this college.

## 11. Challenges

The delay in disbursement of Government funds for capitation and NYS payment have disrupted the normal flow of activities in the college. It is our hope that this will improve for better.

Thank you.



PETER OMONDI  
Principal/BOG Secretary

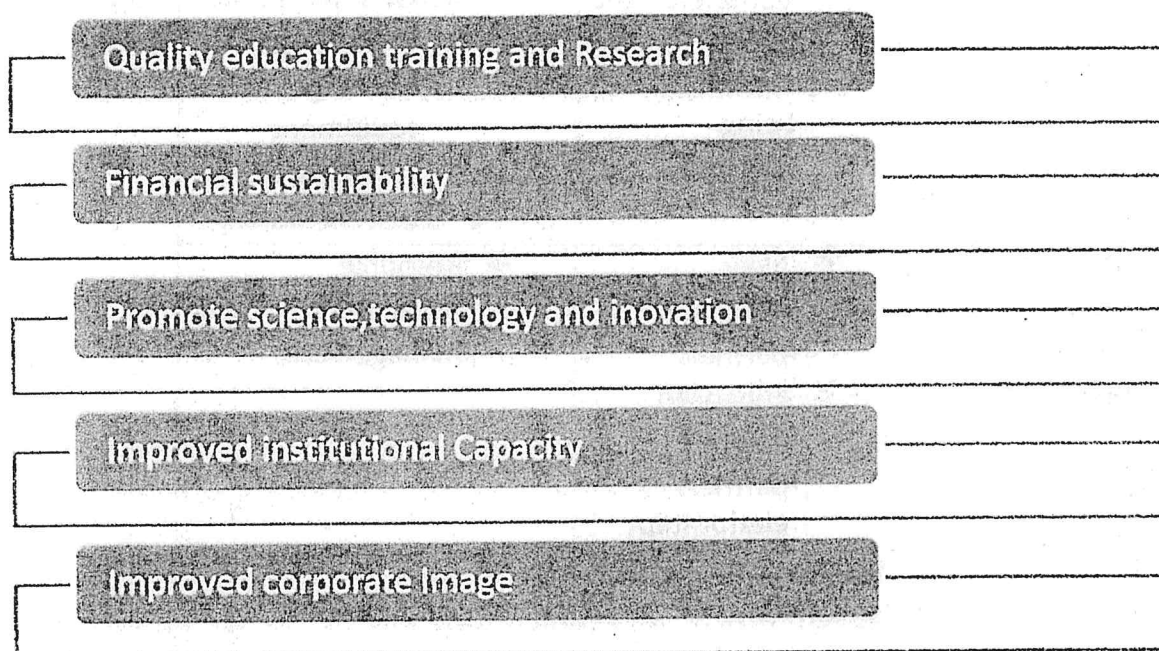


## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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### REVIEW OF BONDO TECHNICAL TRAINING INSTITUTE'S PERFORMANCE FY 2019/2020

*Bondo technical training institute* has 5 strategic pillars and objectives within its strategic plan for the FY 2018/2019-202/2023. The strategic pillars are as follows



*Bondo technical training institute* develops its annual work plan based on the above pillars. Assessment of the Board's performance against its annual work plan is done on a quarterly basis. The institute achieved its performance targets set for the FY2019/2020 period for its 5 strategic pillars, as indicated in the diagram below.

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

| Strategic pillar  | Objective   | Key Performance Indicators  | Activities  | Achievement   |
|---|---|---|---|---|
| Pillar 1:<br><br>Quality education training and research  | Improving quality of education                      | <ul style="list-style-type: none"> <li>❖ Completion of buildings under construction</li> <li>❖ Successfully complete the projects for institution being mentored</li> </ul> | Improve infrastructure by: <ul style="list-style-type: none"> <li>❖ Harvesting rain water</li> <li>❖ Fencing</li> <li>❖ Construction of Modern pit latrines</li> <li>❖ Purchasing learning equipment including chairs</li> <li>❖ Stock the library</li> </ul> | Various blocks have been constructed including classrooms and hospitality Annex |
| Pillar 2<br><br>Financial sustainability                  | Diversify source and increase funding               | <ul style="list-style-type: none"> <li>❖ New development partners</li> <li>❖ Enhanced existing partners relationship</li> </ul> Increase in government development funds    | <ul style="list-style-type: none"> <li>❖ Resource mobilisation and management</li> </ul>  |   |
| Pillar 3<br><br>Promote science technology and innovation | Institutionalize effective research and development | <ul style="list-style-type: none"> <li>❖ Research and development infrastructure</li> </ul>   | <ul style="list-style-type: none"> <li>❖ Participating in shows and exhibits</li> <li>❖ Develop R &amp; D infrastructure</li> </ul>   | Regional Tvet fair  |
| Pillar 4<br><br>Improved institutional capacity           |   | ❖   | <ul style="list-style-type: none"> <li>❖ Human capacity development</li> </ul>  |   |
| Pillar 5<br><br>Improve corporate image                   | Enhance capacity and improve student numbers        | <ul style="list-style-type: none"> <li>❖ Increased numbers</li> </ul>   | <ul style="list-style-type: none"> <li>❖ Create linkages with the community to construct hostels</li> </ul>   | Contracts   |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## CORPORATE GOVERNANCE STATEMENT

Technical Training Institute is committed to good corporate governance, which promotes the long term interests of the government of Kenya and any other stakeholder, strengthens Board and management accountability and helps build public trust in the institute.

The Board is appointed by the government of Kenya through the Cabinet Secretary, Ministry of Education, science and technology to oversee their interest in the long term health and the overall success of the business and its final strength in order to discharge its mandate in training. The Board serves as the ultimate decision making body of the institute, except for those matters reserved to or shared with the Government of Kenya. The Board selects and oversees the members senior management, who are charged by the Board with conducting the business of institute in line with Technical, Vocational, Education and Training Act of 2013 and the constitution of the Republic of Kenya

This financial year was a change in the Board of Governor. The term of the first Board expired and the new board was appointed. Although the appointment date of the new board members was on 18<sup>th</sup> of October 2018, the members received their letters in late December so their first meeting was held in January 2019.

On expiry of the tenure of the current board [19<sup>th</sup> October, 2021] the process of appointment of a new board of management is as laid out in the TVET act of 2013 shall be followed.

Under the TVET act of 2013, the functions of board of governors as set out under the section 28[1] shall include

- (a) Overseeing the conduct of the education and training in the institution in accordance to provisions of this act and any other written laws.
- (b) Promoting and maintaining standards, equality and relevance in education and training in the institution in accordance with this act and any other written laws
- (c) Administering and managing the property of the institutions
- (d) Developing and implementing the institutions strategic plans
- (e) Preparing annual estimates of revenue and expenditure for the institution and incurring expenditure on behalf of the institution, receiving on behalf of the institution, fees, grants subscriptions, donations, requests or any other money and to make disbursement to the institutions or other body or persons
- (f) Determining the fees payable and prescribing conditions under which fees may be remitted in part or in whole in accordance with the guidance developed under the provision of this act
- (g) Developing and reviewing programmes for training and to make representations thereon to the board
- (h) Regulating the admission and exclusion of students from the institution, subject to a qualifications framework and the provision of this act
- (i) Approving collaboration or association with other institutions and industries in and outside Kenya subject to prior approval by the board

## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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- (j) Recruiting and appointing trainers from among qualified professionals and practicing trade persons in relevant sectors of industries
- (k) Determining suitable terms and conditions of services for support staff, trainer and instructors and remunerating the staff of the institution, in consultation with the authority
- (l) Making regulations governing organization, conduct and discipline of staff and students
- (m) Preparing comprehensive annual reports in all areas of their mandate, including education and training services and submit the same to the board
- (n) Providing for the welfare of the students and staff of the institution
- (o) Encouraging, nurturing and promoting democratic culture, dialogue and tolerance in the institutions
- (p) Discharging all other functions conferred upon it by this act or any other written law

The board in the period that has been in existence has endeavored in discharge its functions independently with vigour and person. Their diligence and prudence management of resources has been result oriented and much has been achieved during their term in office .They have been able to interpret government policies and TVET Act as well as other relevant laws in existence making the institution to move forward as we actualize the Strategic plan .Moving forward , the Board is aligning its discharging of duties by improving on its operations while surpassing the set target where possible .In the interest of quality, service delivery, the board is able to read from the same script as they render their duties above board .This will be attained with the incorporation of team spirit and self- sacrifice that is deep within them.



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

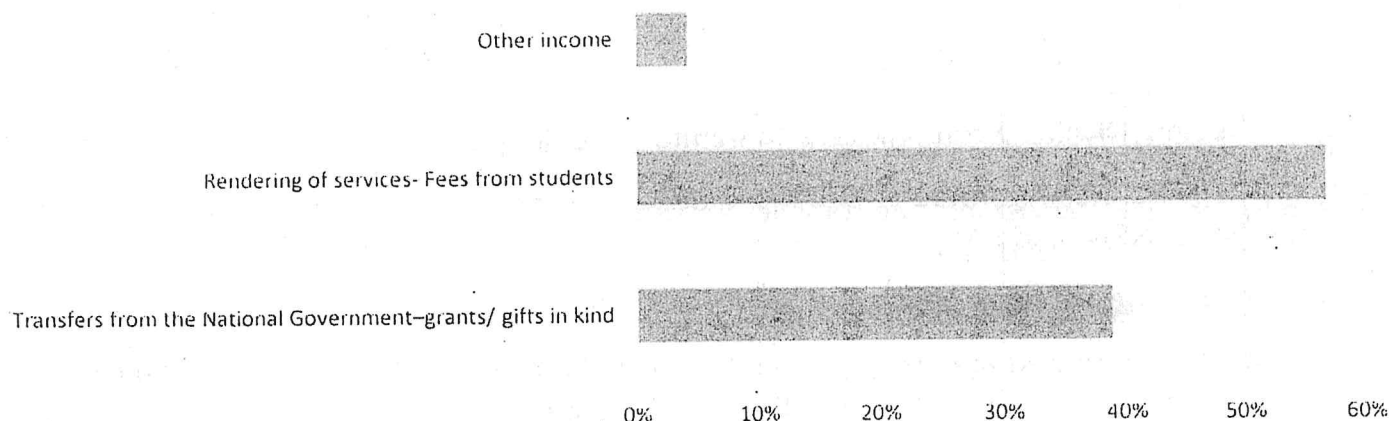
## MANAGEMENT DISCUSSION AND ANALYSIS

### Bondo Technical Training Institute operation and Financial Performance

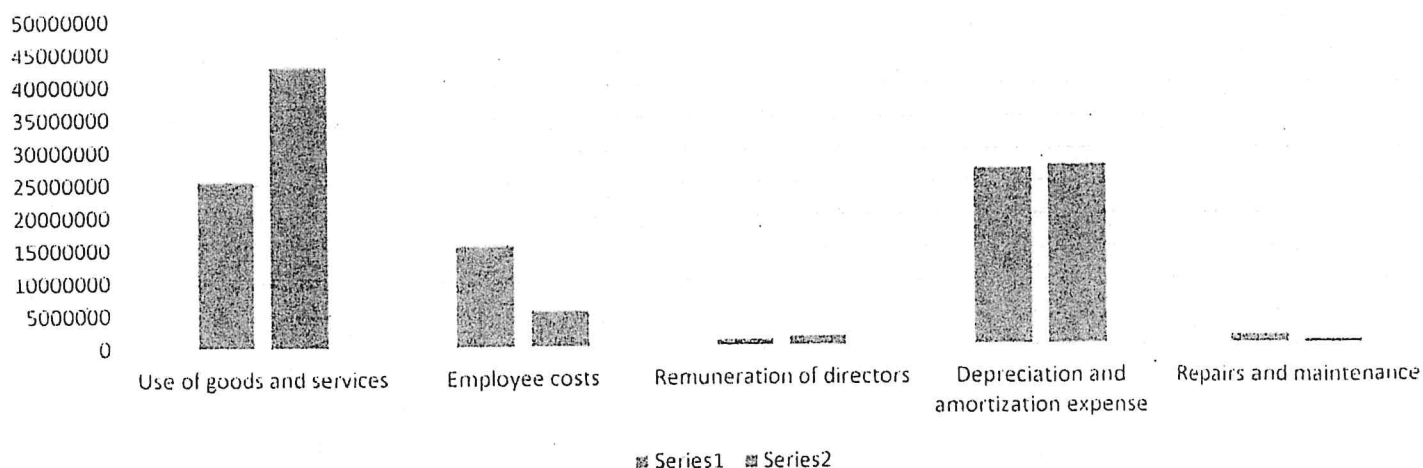
During the year ended June 2020, the institution had 1883 students compared to 1500 in year 2018/2019. The education sector was highly affected by the outbreak of covid 19 in the world this made the revenue from rendering of services reduced from 88 million to 43 million.

Below are the graphs and pie chart analysis the revenue and expenses of the institution

### Income Analysis

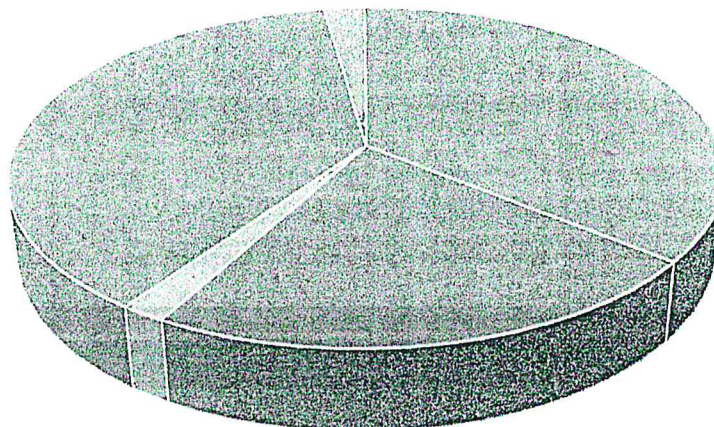


### Expenses Analysis



## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

The contribution of each expense as a percentage of total expense is as shown below.  
2019/2020 expenses



- Use of goods and services
- Employee costs
- Remuneration of directors
- Depreciation and amortization expense
- Repairs and maintenance

### Bondo Technical Training compliance with statutory requirements

Bondo Technical training institute complies to deduction and remittance of statutory deductions such as NHIF, NSSF, and PAYE.

### *Major risks facing the organization.*

The institutes' major risks are mainly related to its core business which is training and human resource development. Some of the identified risks include;

- 1) Inadequate student accommodation and support facilities.
- 2) Delayed disbursement of student capitation and HELB grants
- 3) High staff cost for BOG teachers, due to high ratio of BOG to PSC trainers placed in the institution.

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## Key projects and investments decisions

The projects under consideration in the FY2019/2020 are summarized in the table below.

## CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

*Bondo Technical Training Institute exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy: putting the customer/citizen first, delivering relevant goods and services and improving operational excellence. Below is a brief highlight of our achievements in each pillar.*

### 1. Sustainability strategy and profile-

The triple Bottom line concepts analyse the sustainability of an organization based on the three concepts:

Profits, people (social) and Planet (environment).

**Profit:** The institute, has adopted a transformation strategy aimed at ensuring the she remains financially sound in the face of dwindling funding from the central government. The institutions have expanded its capacity for internally generated like production of sanitizers and masks.

**Social:** The institute has developed the succession management policy to address the welfare of the employees in the future and ensure that the institution is sustainable in future.

**Environment.** The board of governance has plans to undertake an environmental sustainability that will be identified during the audit.

### 2. Employee welfare.

At Bondo Technical training institute, we value our employees and our many stakeholders, including the wider community where the training of the students has the potential to bring positive social and environmental change. We value the contribution that individuals and external entities make to our Institute through the community consultation process.

We integrate the principles of social responsibility into our core mandate internally by exhibiting the behaviors of good corporate governance, ethical decision making and providing our personnel with opportunities to develop and excel. We integrate the principles of social responsibility into our training activities externally by minimizing our environmental impact and seeking to enhance the amenity of residential communities.

| Activity  | Description  |
|---|--|
| Better training objectives.   | optimizing training operations to meet ongoing social sustainability |
| Providing opportunities for us to grow as Institute by becoming involved in our community | local  |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

Enhanced community focusing on good urban design and empowered members for healthy, happy and resilient community.

Supported promoting initiatives that support staff and their families, beyond provision of staff employment

Promoting initiatives that recognize the contribution of the community

Policies guiding hiring process

The following are the Bondo Technical Training Institute Board Policies that guide hiring process.

| S/no | Title                            | Review Period | Remarks  |
|------|----------------------------------|---------------|--|
| 1    | Career Progression               | Regularly     | Vacant position are filled competitively both internally and externally  |
| 2    | Human Resource Manual            | Regularly     | This largely depend on availability of funds<br>Terms and conditions of service governing employees are applied across the board without discrimination  |
| 3    | Internship policy and guidelines | Regularly     | Intern positions are filled competitively and without discrimination   |
| 4    | Gender Mainstreaming             | Regularly     | Bondo TTI observes equal employment opportunities during staff recruitment across all genders  |
| 5    | Disability Mainstreaming         | Regularly     | The institute offers equal employment opportunities to officers living with disability<br><br>The institute also offers rights and privileges as provided in the PWDs Act and Board employment policies. |

### 3. Market place practices.

Responsible Supply Chain and Supplier relations

The institute has maintained good business practice by complying with the government policy and section 227 of the Constitution of Kenya.



## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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All procurement activities have continuously been carried out where supply Chain ensured that there are sufficient funds to meet the obligation of the resulting contract and reflected in the approved budget estimates. Knowledge of available funds acts as a guide in knowing what to procure and when to procure. The organization has maintained and continuously updated list of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs

Bondo Technical Training Institute has all –time ensured responsible treatment of the suppliers in various ways as featured below.

- i. Ensuring proper communication channel e.g Telephone lines and emails are open so as to make sure information is passed across efficiently and effectively between the procurement department and the suppliers
- ii. Providing customer support when and where required. This entails listening keenly to suppliers, contractors and consultants and responding appropriately.
- iii. When doing procurement planning the institute has complied with preference and reservation requirement.
- iv. Supply Chain function has ensured timely submission of the suppliers' invoices to facilitate payment process by the finance department after delivery of goods, services or works is completed. This helps in making sure that the payment process is not delayed. Timely payment of suppliers helps in maintaining a good relationship with the suppliers with the suppliers and also avoiding of penalties that may arise from the delayed payment.
- v. Supply Chain also makes follow ups of invoices issued to finance for payment process to ensure timely payments of suppliers.

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## REPORT OF THE BOARD OF GOVERNORS

The Board Members submit their report together with for the year ended June 30, 2020 which show the state of Bondo Technical Training Institute affairs.

### Principal Activities

The principal Activities of the entity are training and development of human resource in various fields

### Results

The Results of the Bondo TTI for the year ended June 30, 2020 are set out on page 1 to 28

### Board of governance

The members of the Board who served during the year are shown on pages vi and vii.

During the year none of our directors retired or was appointed into the Board.

### Auditors

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

By Order of the Board.



PETER OMONDI

PRINCIPAL

Date: 30/6/2020

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## STATEMENT OF BOARD OF GOVERNORS RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and (*section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*) - require the board members to prepare financial statements in respect of Bondo TTI, which give a true and fair view of the state of affairs of the Bondo TTI at the end of the financial year 2019/2020 and the operating results of the Bondo TTI for the FY 2019/20. The Board of Governors are also required to ensure that Bondo TTI keeps proper accounting records which disclose with reasonable accuracy the financial position of the Bondo TTI. The Board of Governor are also responsible for safeguarding the assets of the Bondo TTI.

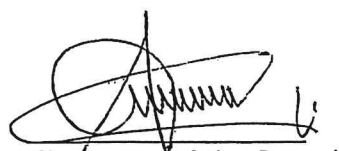
The Board of Governors are responsible for the preparation and presentation of the Bondo TTI's financial statements, which give a true and fair view of the state of affairs of Bondo TTI or and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate 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 entity; (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 Bondo TTI; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Board of Governors accept responsibility for the Bondo TTI's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in partial conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013*. The Board of Governors are of the opinion that the Bondo TTI's financial statements give a true and fair view of the state of Bondo TTI's transactions during the financial year ended June 30, 2020, and of the Bondo TTI financial position as at that date. The Board of Governors further confirm the completeness of the accounting records maintained for the Bondo TTI, which have been relied upon in the preparation of the Bondo TTI's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Board of Governors to indicate that the Bondo TTI 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 Bondo TTI financial statements were approved by the Board on 30/6/20 and signed on its behalf by:



Chairman of the Board



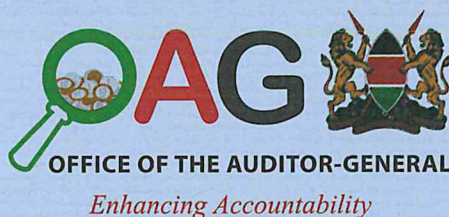
Principal





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

## REPORT OF THE AUDITOR-GENERAL ON BONDO TECHNICAL TRAINING INSTITUTE FOR THE YEAR ENDED 30 JUNE, 2020

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### REPORT ON THE FINANCIAL STATEMENTS

#### Adverse Opinion

I have audited the accompanying financial statements of Bondo Technical Training Institute as set out on pages 1 to 30, which comprise the statement of financial position as at 30 June, 2020, and the statement of financial performance, statement of cash flows and summary statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of the Bondo Technical Training Institute as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Technical and Vocational Educational and Training Act, 2013 and the Public Finance Management Act, 2012.

#### Basis for Adverse Opinion

##### 1.0 Accuracy of Cash and Cash Equivalents Balance

The statement of financial position as at 30 June, 2020 reflect cash and cash equivalents balance of Kshs.83,905,463 as disclosed in Note 17 to the financial statements. However, the cash book reflects a balance of Kshs.102,332,836 resulting to unexplained variance of Kshs.18,427,373. Further, it was noted that the reported cash and cash equivalents balance is based on end of year balances as per bank confirmation certificates, and the Management did prepare monthly bank reconciliations contrary to Regulation 90 of the Public Finance Management (National Government) Regulations, 2015 which states that Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the tenth day of the subsequent month to The National Treasury with a copy to the Auditor-General.



In addition, it was also noted that the cash books generated from the Enterprise Resource Plan (ERP) did not include cash withdrawals made from the Institute's account at Equity bank totalling to Kshs.30,218,520, out of which Kshs.7,484,039 was supported by payment vouchers and the balance of Kshs.22,734,481 was not supported.

In the circumstance, the validity, accuracy and completeness of cash and cash equivalents balance of Kshs.83,905,463 as at 30 June, 2020 could not be confirmed.

## **2.0 Unsupported Inventory Balance**

The statement of financial position also reflects inventory balance of Kshs.2,476,634 as disclosed in Note 20 to the financial statements. The balance remained constant compared to the prior year. However, it was noted that no stock taking was carried out by the Institute at the close of the year in support of the inventory balance of Kshs.2,476,634.

Consequently, the accuracy and valuation of the inventory balance of Kshs.2,476,634 as at 30 June, 2020 could not be confirmed.

## **3.0 Ownership, Presentation and Variance of Property, Plant and Equipment**

The statement of financial position reflects property, plant and equipment balance of Kshs.476,356,511 as disclosed in Note 21 to the financial statements. Included in the amount is land and buildings balance of Kshs.330,000,000. It was noted that the Institute occupies a piece of land comprising of six (6) parcels measuring over 30 acres but has not processed title deeds for all the parcels of land and the ownership of one of the parcels of the land is in dispute and the matter is in Court.

Further, the value of land has not been disclosed separately from buildings in the financial statements contrary to IPSAS 17 paragraph 52 which require land and buildings to be disclosed separately for accounting purposes and the asset register did not include the values of land, buildings and plant and equipment.

In addition, the financial statements reflects property, plant and equipment net book value of Kshs. 476,356,511 while Note 21 to the financial statements reflects a balance of Kshs.473,465,436 resulting in unexplained difference of Kshs.2,891,075.

In the circumstances, the accuracy, presentation and ownership of the property, plant and equipment balance of Kshs.476,356,511 as at 30 June, 2020 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bondo Technical Training Institute 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 opinion.

## **Key Audit Matters**

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report based on the procedures performed, I confirm that, public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1.0 Appointment of the Principal to the Institute**

A review of records maintained by the Institute revealed that the Principal of the Institute was appointed through a letter Ref No. TSC/231270/130 dated 19 January, 2015 by the Secretary/ Chief Executive of Teachers Service Commission. However, this was contrary to competitive recruitment guidelines as set out under Section 30(1) of the TVET Act No.29 of 2013 which provides that there shall be a Principal of a public training institution established under section 26(1)(a) or (b) who shall be appointed by the Cabinet Secretary on the recommendation of the Board of Governors following a competitive recruitment process and who shall serve for a period of five years, whose term may be renewed once. The appointment of the Principal was therefore in contravention of the Law.

#### **2.0 Procurement of Student Accommodation for Students**

The statement of financial performance reflects expenditure on use of goods and services of Kshs.25,764,866. Included in the balance is administration fees of Kshs.21,061,711 which further includes Kshs.8,274,000 paid to various suppliers as accommodation expenses for students during the year under review as per the signed tenancy agreements between the landlord and the Institution. However, user requisition was not provided to support the payment of accommodation expenses. Further, records were not provided to indicate how the suppliers were identified and contracted to offer accommodation services to students contrary to section 106(2) of the Public Procurement and Asset Disposal Act, 2015 which states that the Accounting Officer of a procuring entity shall give the request to such persons as are registered by the procuring entity; and that at least three persons shall submit their quotations prior to evaluation.

In the circumstance, the institution contravened the law and may not have received value for money on accommodation services for the year ended 30 June, 2020.

### **3.0 Irregular Payment of Sitting Allowance**

The statement of financial performance reflects expenditure on remuneration of directors of Kshs.1,233,096 as disclosed in Note 12 to the financial statements. Included in the balance is an amount of Kshs.407,132 paid to the principal and deputy principal of the Institution in form of sitting allowances for attending Board of Governors meetings contrary to section 10 of the State Corporations Act and Circular OP/CAB.9/21/2A/LII dated 24 March, 2005 which states that, the chief executive officers and the employees of a state corporation are not entitled to sitting or other allowances.

Further, expenditure on remuneration of directors include an amount of Kshs.123,563 being sitting allowances paid to the County Director of TVETs. However, it was noted that the officer had not been appointed to the Council of the Institution in writing as per the directive contained in circular OP/CAB.9/1A dated 18 October, 2019 and Circular OP/SCAC.9/73A (48) dated 4 May, 2015 which requires that, board members be issued with appointment letters by the respective Cabinet Secretaries and that every board member should signify their acceptance of the appointment in writing.

The Management was therefore in breach of the Law and the propriety of expenditure on remuneration of directors of Kshs.1,233,096 could not be confirmed.

### **4.0 Construction of Applied Science Complex**

The statement of financial position as at 30 June, 2020 reflects property, plant and equipment balance of Kshs.476,356,511. Included in the balance is work in progress balance of Kshs.22,703,520 which comprises costs incurred on construction of the Applied Science Complex. The contractor was paid Kshs.5,535,895 in the year under review being payment of interim certificate number 3 and 4. However, it was noted that the contractor was not on site and the project appeared to have stalled.

In the circumstance, the value for money of work in progress and propriety of Kshs.22,703,520 incurred on the project as at 30 June, 2020 could not be confirmed.

The Audit was conducted in accordance with ISSAI 4000. The standard require that I comply with ethical requirements and plan and perform the audit so as to obtain limited assurance as to 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 SYSTEMS AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report based on



the procedures performed, I confirm 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 governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the ability of the Institute 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 Institute or to cease operations.

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

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

Those charged with governance are responsible for overseeing Bondo Technical Training Institute financial reporting process, reviewing the effectiveness of how the entity 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern 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 Bondo Technical Training Institute ability to continue as a going concern or 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 Bondo Technical Training Institute to cease to continue as a going concern or 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 Bondo Technical Training Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**11 February, 2022**



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 1.STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020

|  | Notes | 2019/2020     | 2018/2019   |
|--|-------|---------------|-------------|
|  |       | Kshs          | Kshs        |
| Revenue from non-exchange transactions                       |       |               |             |
| Transfers from the National Government-grants/ gifts in kind | 6     | 29,493,797.00 | 38,392,294  |
| Public contributions and donations                           | 7     | -             | 7,000,000   |
| Sub-Total  |       | 29,493,797.00 | 45,392,294  |
| Revenue from exchange transactions                           |       |               |             |
| Rendering of services- Fees from students                    | 8     | 43,123,280.00 | 88,329,962  |
| Other income   | 9     | 3,270,650.00  | 1,263,740   |
| Sub-Total  |       | 46,393,930.00 | 89,593,702  |
| Total revenue  |       | 75,887,727.00 | 134,985,996 |
| Expenses   |       |               |             |
| Use of goods and services                                    | 10    | 25,764,865.55 | 7,267,294   |
| Employee costs   | 11    | 15,758,963.76 | 3,922,179   |
| Remuneration of directors                                    | 12    | 1,233,096.00  | 1,720,600   |
| Depreciation and amortization expense                        | 13    | 27,083,589.83 | 35,024,606  |
| Repairs and maintenance                                      | 14    | 1,579,917.00  | 803,530     |
| Contracted services  | 15    | -             | 20,923,060  |
| General Expenses   | 16    | -             | 41,034,095  |
| Total Expenses   |       | 71,420,432.14 | 110,695,364 |
| Other gains/(losses)   |       |               |             |
| Net Surplus for the year                                     |       | 4,467,294.86  | 24,290,632  |

The notes set out on pages 6 to 20 form an integral part of the Annual Financial Statements.



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 2. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2020

|  | Notes | 2019/2020          | 2018/2019             |
|--|-------|--------------------|-----------------------|
|  |       | Kshs               | Kshs                  |
| <b>Assets</b>  |       |                    |                       |
| <b>Current assets</b>                                      |       |                    |                       |
| Cash and cash equivalents                                  | 17    | 83,905,463         | 11,331,826.00         |
| Current Position of Receivables from exchange transactions | 18    | 59,564,021         | 60,870,726.00         |
| Receivables from non-exchange transactions                 | 19    | -                  | 8,250,000.00          |
| Inventories  | 20    | 2,476,634          | 2,476,634.00          |
| <b>Total Current Assets</b>                                |       | <b>145,946,118</b> | <b>82,929,186.00</b>  |
| <b>Non-current assets</b>                                  |       |                    |                       |
| Property, plant and equipment                              | 21    | 476,356,511        | 586,166,589.00        |
| Intangible assets  | 22    | 894,000            | 1,192,000.00          |
| <b>Total Non-current Assets</b>                            |       | <b>477,250,511</b> | <b>587,358,589.00</b> |
| <b>Total assets</b>  |       | <b>623,196,629</b> | <b>670,287,775.00</b> |
| <b>Liabilities</b>   |       |                    |                       |
| <b>Current liabilities</b>                                 |       |                    |                       |
| Trade and other payables from exchange transactions        | 23    | 5,562,736          | 9,687,310.00          |
| Refundable Deposits from Students                          | 24    | 321,000            |                       |
| Provisions for Audit fee                                   | 25    | 2,649,750          | 34,726,606.00         |
| Deferred income  | 26    | 19,503,351         | 73,417,426.00         |
| Payments Received in Advance                               | 27    | 40,403,444         | -                     |
| <b>Total Current Liabilities</b>                           |       | <b>65,799,531</b>  | <b>117,831,342.00</b> |
| <b>Total Liabilities</b>                                   |       | <b>68,440,281</b>  |                       |
| Accumulated surplus  |       | 49,007,185         | 46,707,270.20         |
| Capital Fund   |       | 505,749,163        | 505,749,163.00        |
| <b>Total Reserves</b>                                      |       | <b>554,756,348</b> | <b>552,456,433</b>    |
| <b>Total net assets and liabilities</b>                    |       | <b>623,196,629</b> | <b>670,287,775.20</b> |

The Financial Statements set out on pages 1 to 25 were signed on behalf of the Board of Governors by:

BOARD OF GOVERNORS

Date: 30/6/2020

ICPAK NO 15637

Date: 30/6/2020

PRINCIPAL

Date: 30/6/2020

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR  
ENDED 30TH JUNE 2020**

**3. STATEMENT OF CHANGES IN NET ASSET FOR THE YEAR ENDED 30 JUNE 2020**

|  | Revaluation<br>reserve | Fair value<br>adjustment<br>reserve | Retained<br>earnings | Capital/<br>Development<br>Grants/Fund | Total          |
|--|------------------------|-------------------------------------|----------------------|--|----------------|
| <b>At July 1, 2018</b>   |                        |                                     | 22,416,637.40        | 495,929,550.00                         | 518,346,187.40 |
| Revaluation gain   |                        |                                     | -                    | -                                      | -              |
| Fair value adjustment on quoted investments                                  |                        |                                     | -                    | -                                      | -              |
| Total comprehensive income   |                        |                                     | -                    | -                                      | -              |
| Capital/Development grants received during the year                          |                        |                                     | 24,290,632.80        | 9,819,613.00                           | 34,110,245.80  |
| Transfer of depreciation/amortisation from capital fund to retained earnings |                        |                                     | -                    | -                                      | -              |
| <b>At June 30, 2019</b>  |                        |                                     | 46,707,270.20        | 505,749,163.00                         | 552,456,433.20 |
| <b>At July 1, 2019</b>   |                        |                                     | 46,707,270.20        | 505,749,163.00                         | 552,456,433.20 |
| Prior Year Adjustments   |                        |                                     | (2,167,380.00)       |  |                |
| Total comprehensive income   |                        |                                     | 4,467,294.86         |  |                |
| Capital/Development grants received during the year                          |                        |                                     | -                    |  |                |
| Transfer of depreciation/amortisation from capital fund to retained earnings |                        |                                     |                      |  |                |
| <b>At June 30, 2020</b>  |                        | 0                                   | 49,007,185.07        | 505,749,163.00                         | 552,456,433.20 |

*Note:*

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

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 4.STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020

|  |           | 2019-2020           | 2018-2019              |
|--|-----------|---------------------|------------------------|
|  | Note      | Kshs                | Kshs                   |
| <b>Cash flows from operating activities</b>                  |           |                     |                        |
| <b>Receipts</b>  |           |                     |                        |
| Transfers from other Government entities/Govt. grants        |           | 141,687,233         | 30,142,294.00          |
| Public contributions and donations                           |           | -                   |                        |
| Rendering of services- Fees from students                    |           | 31,793,169          | 36,101,479.32          |
| Sale of goods  |           |                     |                        |
| Rental revenue from facilities and equipment                 |           |                     |                        |
| <b>Total Receipts</b>  |           | <b>173,480,402</b>  | <b>66,243,773.32</b>   |
| <b>Payments</b>  |           |                     |                        |
| Compensation of employees                                    | 11        | 15,758,964          | 49,027,022.07          |
| Use of goods and services                                    |           | 25,099,889          | 20,923,059.65          |
| Other exchange debtors- un accounted for cash withdrawals    |           | 22,734,481          |                        |
| Taxation paid  |           |                     |                        |
| Other payments   |           | 12,500,323          | -                      |
| Grants and subsidies paid                                    |           |                     |                        |
| <b>Total Payments</b>  |           | <b>76,093,656</b>   | <b>69,950,081.72</b>   |
| <b>Net cash flows from operating activities</b>              |           | <b>97,386,746</b>   | <b>(3,706,308.40)</b>  |
| <b>Cash flows from investing activities</b>                  |           |                     |                        |
| Purchase of property, plant, equipment and intangible assets |           | (24,813,109)        | (6,900,113.00)         |
| Proceeds from sale of property, plant and equipment          |           | -                   |                        |
| Decrease in non-current receivables                          |           | -                   | (478,390.00)           |
| Increase in investments                                      |           |                     |                        |
| <b>Net cash flows used in investing activities</b>           |           | <b>(24,813,109)</b> | <b>(7,378,503.00)</b>  |
| <b>Cash flows from financing activities</b>                  |           |                     |                        |
| <b>Net cash flows used in financing activities</b>           |           | <b>-</b>            | <b>-</b>               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>  |           | <b>72,573,637</b>   | <b>(11,084,811.40)</b> |
| Cash and cash equivalents at the beginning of the year       | 26        | 11,331,826          | 22,416,637.40          |
| <b>Cash and cash equivalents at 30 JUNE 2020</b>             | <b>26</b> | <b>83,905,463</b>   | <b>11,331,826.00</b>   |

# ONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 5.STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2020

| Description                                    | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference |
|--|-----------------|-------------|--------------|----------------------------|------------------------|
|  | 2019-2020       | 2019-2020   | 2019-2020    | 2019-2020                  | 2019-2020              |
| Revenue  | Kshs            |             | Kshs         | Kshs                       | Kshs                   |
| Transfers from other Govt entities Govt grants | 30,000,000      |             | 30,000,000   | 29,493,797.00              | 506,203                |
| Rendering of services- Fees from students      | 45,390,000      |             | 45,390,000   | 43,123,280.00              | 2,266,720              |
| Other Income                                   | 2,400,000       |             | 2,400,000    | 3,270,650.00               | (870,650)              |
| Total income                                   | 77,790,000      | 0           | 77,790,000   | 75,887,727.00              | 1,902,273              |
| Expenses                                       |                 |             |              |                            |                        |
| Compensation of employees                      | 13,358,876      |             | 13,358,876   | 15,758,963.76              | (2,400,088)            |
| Use of Good sand services                      | 60,631,124      |             | 60,631,124   | 54,428,372.38              | 6,202,752              |
| Remuneration of directors                      | 3,800,000       |             | 3,800,000    | 1,233,096.00               | 2,566,904              |
| Grants and subsidies paid                      | -               |             | -            | -                          | -                      |
| Total expenditure                              | 77,790,000      | 0           | 77,790,000   | 71,420,432                 | 6,369,568              |
| Surplus for the period                         | -               | 0           | -            | 4,467,295                  | (4,467,295)            |

### Budget notes

- Revenue from rendering of services was affected by Covid-19 pandemic as there was no May 2020 intake.

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Bondo Technical Training Institute is established by and derives its authority and accountability from TVET Act 2013. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is offer technical skills and knowledge.

### 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 *entity's* accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5

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

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



## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

### 3. ADOPTION OF NEW AND REVISED STANDARDS

ii. New and amended standards and interpretations in issue but not yet effective in the year ended June 2020

| Standard                                       | Effective date and impact:  |
|--|---|
| IPSAS 41:<br>Financial<br>Instruments          | <p>Applicable: 1<sup>st</sup> January 2022:</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><i>(there is no impact of the standard to the entity)</i></p> |
| IPSAS 42: Social<br>Benefits                   | <p>Applicable: 1<sup>st</sup> January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p> <p><i>(there is no impact of the standard to the entity)</i></p>   |
| Amendments to<br>other IPSAS<br>resulting from | Applicable: 1 <sup>st</sup> January 2022;   |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

| Standard                              | Effective date and impact:  |
|---------------------------------------|---|
| IPSAS 41:<br>Financial<br>Instruments | <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the component of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS, 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSASA 41 was issued.</li> <li>d) Amendments to IPSAS, 33, to update the guidance on classifying financing instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS was issued.</li> </ul>  |
| Other<br>improvements<br>to IPSAS     | <p>Applicable: 1<sup>st</sup> January 2022</p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 13, to include the appropriate references to IPSAS on impairment, in place of the current references to other international and /or national accounting frameworks.</li> <li>b) IPSAS 13, leases and IPSAS 17 Property Plant and Equipment Amendments to remove transitional provision which should have been deleted when IPSAS33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) was approved.</li> <li>c) IPSAS 21, Impairment of Non-Cash-Generating Asset and IPSAS 26, Impairment of Cash Generating Assets.<br/>Amendments to ensure consistency of impairment guidance to account for revalued assets in the scope of IPSAS 17, Property, Plant and Equipment and IPSAS 31, Intangible Assets.</li> <li>d) IPSAS 33, First-Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). Amendments to the implementation guidance on deemed cost in IPSAS 33 to make it consistent with the core principles in the standard.</li> </ul> |

i. Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2020.

## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Revenue recognition

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

##### Transfers from other government entities

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

##### ii) Revenue from exchange transactions

##### Rendering of services

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

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

##### Interest income

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

#### b) Budget information

The original budget for FY 2019/2020 was approved by the Council or Board on 30/06/2020 Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

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

## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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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) Property, plant and equipment

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

Depreciation on all other asset is calculated on the reducing balances basis method to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

|                        | Rate % |
|------------------------|--------|
| Building               | 2      |
| Plant and Equipment    | 12.5   |
| Motor Vehicles         | 25     |
| Furniture and Fittings | 12.5   |
| Computer Equipment     | 33.3   |

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss. On disposal of revalued assets, amounts in the revelation reserve relating to that asset are transferred to retained earnings in the statement of changes in equity.

### a) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and

## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for in on a prospective basis.

### Computer software

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years.

### b) Nature and purpose of reserves

#### a. Accumulated surpluses

This relates to surpluses brought forward and the one for the current year

#### b. Capital reserves

This relates to fixed assets granted by the government or any other donor.

### c) Changes in accounting policies and estimates

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

The changes in accounting policy that took place during the year is adoption of accrual basis of accounting from the cash basis. The policy will help the institution to report its financial performance and position more accurate and fairly state the position and performance than the cash basis.

### d) Employee benefits

#### Retirement benefit plans

The institution and its employees contribute to the National Social Security Fund (NSSF) a statutory defined contribution scheme are charged to profit and loss in the year to which they relate.

### e) Related parties

Bondo TTI 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 Institution, or vice versa. Members of key management are regarded as related parties and comprise the Board of Governors, the Principal, Head of Finance and Head of Procurement.

The Government of Kenya through the ministry of education is also related party to the Bondo TTI.

### f) Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalent comprises of cash in hand and deposits held at call with banks

### g) Comparative figures



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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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.

## h) Biological assets

The biological assets have been stated at their values less estimated point of sale costs. The fair value is determined based on market prices.

## i) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2020

## 5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

The board of governance made only one significant judgement in preparing these financial statements.

### 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

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 6 TRANSFERS FROM NATIONAL GOVERNMENT MINISTRIES

| Description                              | 2019-2020     | 2018-2019     |
|--|---------------|---------------|
|  | KShs          | KShs          |
| Unconditional grants                     |               |               |
| Operational grant                        | -             | 4,500,000.00  |
| Other grants                             | 29,493,797.00 | 16,500,000.00 |
|  | 29,493,797.00 | 21,000,000.00 |
| Conditional grants                       |               |               |
| Applied Science Complex<br>Phase 1       | -             | 9,337,594.00  |
| Mentee Projects - Ugunja TTI             | -             | 8,054,700.00  |
| Other organizational grants              | -             | -             |
| Total government grants and<br>subsidies | 29,493,797.00 | 38,392,294.00 |

## 7 PUBLIC CONTRIBUTIONS AND DONATIONS

| Description                         | 2019-2020 | 2018-2019    |
|-------------------------------------|-----------|--------------|
|                                     | KShs      | KShs         |
| Donations From MOE -<br>Generator   | -         | 7,000,000.00 |
| Total donations and<br>sponsorships | -         | 7,000,000.00 |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
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**8      RENDERING OF SERVICES**

| Description                                  | 2019-2020     | 2018-2019     |
|--|---------------|---------------|
|  | KShs          | KShs          |
| Tuition fees                                 | 9,953,740.00  | 14,250,560.00 |
| Activity fees                                | 4,134,460.00  | 3,680,660.00  |
| Examination fees                             | 5,534,180.00  | 6,446,922.00  |
| Library fees                                 | -             | -             |
| Facilities and materials                     | 23,288,260.00 | 63,751,320.00 |
| Registration fees                            | 212,640.00    | 200,500.00    |
| Total revenue from the rendering of services | 43,123,280.00 | 88,329,962.00 |

**9      OTHER INCOME**

| Description                | 2019-2020    | 2018-2019    |
|----------------------------|--------------|--------------|
|                            | KShs         | KShs         |
| Income from sale of tender | 17,000.00    | 165,300.00   |
| Services concession income | 3,253,650.00 | 1,098,440.00 |
| Total other income         | 3,270,650.00 | 1,263,740.00 |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020**

**10. USE OF GOODS AND SERVICES**

| Description                    | 2019-2020            | 2018-2019           |
|--------------------------------|----------------------|---------------------|
|                                | KShs                 | KShs                |
| Electricity                    | 804,101.55           | 5,679,864.00        |
| Security                       | 672,000.00           | -                   |
| Admin fees                     | 21,061,711.00        |                     |
| Insurance                      | 1,319,196.00         |                     |
| Hire charges                   |                      |                     |
| Training expenses              | -                    |                     |
| Other                          | 1,907,857.00         | 1,587,430.00        |
| <b>Total good and services</b> | <b>25,764,865.55</b> | <b>7,267,294.00</b> |

**11 EMPLOYEE COSTS**

|  | 2019-2020            | 2018-2019           |
|--|----------------------|---------------------|
|  | KShs                 | KShs                |
| Salaries and wages   | 14,456,883.76        | 3,922,179.00        |
| Travel, motor car, accommodation, subsistence and other allowances | 1,302,080.00         | 893,790.00          |
| Performance and other bonuses                                      | -                    | 923,600.00          |
| <b>Employee costs</b>  | <b>15,758,963.76</b> | <b>5,739,569.00</b> |

**12 REMUNERATION OF DIRECTORS**

| Description                      | 2019-2020           | 2018-2019           |
|----------------------------------|---------------------|---------------------|
|                                  | KShs                | KShs                |
| Chairman's Honoraria             | -                   | -                   |
| Directors emoluments             | 1,233,096.00        | 1,720,600.00        |
| Other allowances                 | -                   | -                   |
| <b>Total director emoluments</b> | <b>1,233,096.00</b> | <b>1,720,600.00</b> |



**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020**

**13 DEPRECIATION AND AMORTIZATION EXPENSE**

| Description                         | 2019-2020     | 2018-2019     |
|-------------------------------------|---------------|---------------|
|                                     | KShs          | KShs          |
| Property, plant and equipment       | 27,083,589.83 | 27,314,659.00 |
| Intangible assets                   | 298,000.00    | 298,000.00    |
| Investment property carried at cost |               |               |
| Total depreciation and amortization | 27,381,589.83 | 27,612,659.00 |

**14 REPAIRS AND MAINTENANCE**

| Description                           | 2019-2020    | 2018-2019  |
|---------------------------------------|--------------|------------|
|                                       | KShs         | KShs       |
| Property                              | 955,077.00   | 0          |
| Investment property – earning rentals | -            | 0          |
| Equipment and machinery               | -            | 540,500.00 |
| Vehicles                              | 38,740.00    | 0          |
| Furniture and fittings                | 480,050.00   | 263,030.00 |
| Computers and accessories             | 10,000.00    | 0          |
| Other                                 | 96,050.00    | 0          |
| Total repairs and maintenance         | 1,579,917.00 | 803,530.00 |

## BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

### 15 CONTRACTED SERVICES

| Description               | 2019-2020 | 2018-2019  |
|---------------------------|-----------|------------|
|                           | KShs      | KShs       |
| Actuarial valuations      | -         | 20,923,060 |
| Investment valuations     | -         | -          |
| Property valuations       | -         | -          |
| Total contracted services | -         | 20,923,060 |

### 16. GENERAL EXPENSES

| Description               | 2019-2020 | 2018-2019     |
|---------------------------|-----------|---------------|
|                           | KShs      | KShs          |
| Tution and SES            |           | 9,194,040.00  |
| Admin costs               |           | 1,548,401.00  |
| Local transport & Travels |           | 693,790.00    |
| Tenders                   |           | 56,000.00     |
| Production Unit           |           | 267,500.00    |
| Performance contract      |           | 771,964.00    |
| Meals and accomodation    |           | 21,878,800.00 |
| Knec Exams                |           | 6,623,600.00  |
| Total General Expenses    | -         | 41,034,095.00 |

### 17 CASH AND CASH EQUIVALENTS

| Description                     | 2019-2020     | 2018-2019     |
|---------------------------------|---------------|---------------|
|                                 | KShs          | KShs          |
| Current account                 | 83,872,263.37 | 11,319,746.00 |
| On - call deposits              | -             | -             |
| Fixed deposits account          | -             | -             |
| Staff car loan/ mortgage        | -             | -             |
| Others(specify)                 | 33,200.00     | 12,080.00     |
| Total cash and cash equivalents | 83,905,463.37 | 11,331,826.00 |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
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|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

**17 (a). DETAILED ANALYSIS OF CASH AND CASH EQUIVALENTS**

|   |                | 2019-2020     | 2018-2019     |
|---|----------------|---------------|---------------|
| Financial institution                   | Account number | KShs          | KShs          |
|   |                |               |               |
| a) Current account                      |                |               |               |
| Equity - Fee Collection Account         | 750263777542   | 63,555,043.00 | 471,314.31    |
| Equity - Operations Account             | 750263777515   | 13,992,655.47 | 20,713.47     |
| Co-Operative Bank - Development Account | 1141623975600  | 1,862,651.00  | 9,623,383.50  |
| Co-operative Bank - Ugunja TVC          | 1141623975700  | 142,831.00    |               |
| KCB - Saving Account                    | 1182729274     | 3,758,558.60  | 1,158,557.00  |
| KCB - Production Unit Account           | 1182250955     | 560,524.30    | 45,778.00     |
| Sub- total                              |                | 83,872,263.37 | 11,319,746.28 |
|   |                |               |               |
| b) On - call deposits                   |                |               |               |
| c) Fixed deposits account               |                |               |               |
| d) Staff car loan/ mortgage             |                |               |               |
| e) Others(specify)                      |                |               |               |
| cash in hand                            |                | 33,200.00     | 12080         |
| M pesa                                  |                |               |               |
| Sub- total                              |                | 33,200.00     | 12,080.00     |
| Grand total                             |                | 83,905,463.37 | 11,331,826.28 |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL  
STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020**

**18 RECEIVABLES FROM EXCHANGE TRANSACTIONS**

| Description   | 2019-2020     | 2018-2019     |
|---|---------------|---------------|
|   | KShs          | KShs          |
| Current receivables                                       |               |               |
| Student debtors   | 36,829,540.00 | 60,392,336.00 |
| Rent debtors  | -             | 478,390.00    |
| Consultancy debtors                                       |               |               |
| Other exchange debtors- un accounted for cash withdrawals | 22,734,481.00 |               |
| Less: impairment allowance                                |               |               |
| Total current receivables                                 | 59,564,021.00 | 60,870,726.00 |

**19 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**

| Description                                      | 2019-2020 | 2018-2019    |
|--|-----------|--------------|
|  | KShs      | KShs         |
| Current receivables                              |           |              |
| Transfers from other govt. entities - Capitation | -         | 8,250,000.00 |
| Undisbursed donor funds                          |           |              |
| Other debtors (non-exchange transactions)        |           |              |
| Less: impairment allowance                       |           |              |
| Total current receivables                        | -         | 8,250,000.00 |



BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH  
JUNE 2020

20 INVENTORIES

| Description  | 2019-2020<br>KShs | 2018-2019<br>KShs |
|--|-------------------|-------------------|
| Consumable stores  | 2,060,004.00      | 2,060,004.00      |
| Maintenance stores   | 200,000.00        | 200,000.00        |
| Health Unit stores   | -                 | -                 |
| Electrical stores  | -                 | -                 |
| Cleaning materials stores  | 216,630.00        | 216,630.00        |
| Catering stores  | -                 | -                 |
| Total inventories at the lower of cost and net<br>realizable value | 2,476,634.00      | 2,476,634.00      |

**BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020**

**21. Property, Plant and Equipment**

|                       | Land and Buildings | Motor Vehicles | Furniture & Fittings | Computers    | Plant and Equipment | W.I.P         | Ugunja TVC    | Total       |
|-----------------------|--------------------|----------------|----------------------|--------------|---------------------|---------------|---------------|-------------|
| Depreciation Rate     | 2%                 | 25%            | 12.50%               | 33.30%       | 12.50%              |               |               |             |
| COST/VALUATION        | KShs               | KShs           | KShs.                | KShs.        | KShs                | KShs.         |               | KShs.       |
| As at 30 June, 2018   | 330,000,000        | -              | 2,678,150            | 3,251,400    | 167,000,000.00      | 0             |               | 502,929,550 |
| Additions             | -                  | 6,900,113.00   | 2,680,000            | 239,500      | -                   | 0             |               | 9,819,613   |
| Disposals             | -                  | -              | -                    | -            | -                   | -             |               | 0           |
| Revaluation           | -                  | -              | -                    | -            | -                   | -             |               | 0           |
| Transfer to Buildings | -                  | -              | -                    | -            | -                   | 0             |               | 0           |
| As at 1 July, 2019    | 330,000,000        | 6,900,113.00   | 5,358,150.00         | 3,490,900.00 | 167,000,000.00      | 73,726,521.20 |               | 586,475,684 |
| Additions             | -                  | 6,613,000.00   | 3,827,413.00         | 1,560,500    | -                   | 3,200,169.80  |               | 15,201,083  |
| Disposals             | -                  | -              | -                    | -            | -                   | -             |               | 0           |
| Revaluation           | -                  | -              | -                    | 0            | -                   | -             |               | 0           |
| Transfer to Buildings | -                  | -              | -                    | -            | -                   | -53,914,075   | 53,914,075    | 0           |
| As at 30 Jun, 2020    | 330,000,000        | 13,513,113.00  | 9,185,563.00         | 5,051,400.00 | 167,000,000.00      | 22,703,520.80 | 53,914,075.00 | 544,562,522 |
| DEPRECIATION          |                    |                |                      |              |                     |               |               | 0           |
| At 30 June, 2018      | -                  | -              | 0                    | 0            | 20,875,000.00       | -             |               | 20,875,000  |
| Depreciation          | -                  | 431,257.00     | 669,769              | 1,162,470    | 20,875,000.00       | -             |               | 23,138,496  |
| Revaluation           |                    | -              | -                    | -            | -                   | -             |               | 0           |
| At 30 June, 2019      | -                  | 431,257.00     | 669,769.00           | 1,162,470.00 | 41,750,000.00       | 0             |               | 44,013,496  |

BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH  
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|                    |             |              |              |              |                |               |             |
|--------------------|-------------|--------------|--------------|--------------|----------------|---------------|-------------|
| Depreciation       | -           | 3,378,278.25 | 1,148,195.38 | 1,682,116.20 | 20,875,000.00  | -             | 27,083,590  |
| Revaluation        |             |              |              | 0            |                |               | 0           |
| At 31 June, 2020   | -           | 3,809,535.25 | 1,817,964.38 | 2,844,586.20 | 62,625,000.00  | -             | 71,097,086  |
| NET BOOK VALUE     |             |              |              |              |                |               | 0           |
| As at 30 Jun, 2020 | 330,000,000 | 9,703,577.75 | 7,367,598.63 | 2,206,813.80 | 104,375,000.00 | 22,703,520.80 | 473,465,436 |
| As at 1 July, 2019 | 330,000,000 | 6,468,856.00 | 4,688,381.00 | 2,328,430.00 | 125,250,000.00 | 73,726,521.20 | 542,462,188 |

Ugunja Projected is now completed and transferred to the Ugunja TVC

Work in progress for Bondo has increased by the work done under the 4<sup>th</sup> certificate.

BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH  
JUNE 2020

22. INTANGIBLE ASSETS-SOFTWARE

| Description                    | 2019-2020    | 2018-2019    |
|--------------------------------|--------------|--------------|
|                                | KShs         | KShs         |
| Cost                           |              |              |
| At beginning of the year       | 1,192,000.00 | -            |
| Additions                      | -            | 1,490,000.00 |
| At end of the year             | 1,192,000.00 | 1,490,000.00 |
| Additions-internal development | -            | -            |
| At end of the year             | 1,192,000.00 | 1,490,000.00 |
| Amortization and impairment    |              |              |
| At beginning of the year       | 298,000.00   | -            |
| Amortization                   | 298,000.00   | 298,000.00   |
| At end of the year             | 596,000.00   | 298,000.00   |
| Impairment loss                | -            | -            |
| At end of the year             | 596,000.00   | 298,000.00   |
| NBV                            | 894,000.00   | 1,192,000.00 |



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 23. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

| Description                           | 2019-2020           | 2018-2019           |
|---------------------------------------|---------------------|---------------------|
|                                       | KShs                | KShs                |
| Trade payables                        | 3,292,383.91        | 9,687,310.00        |
| Fees paid in advance                  |                     |                     |
| Employee advances                     |                     |                     |
| Third-party payments                  |                     |                     |
| Other payables                        | 2,270,352.00        | -                   |
| <b>Total trade and other payables</b> | <b>5,562,735.91</b> | <b>9,687,310.00</b> |

## 24 REFUNDABLE DEPOSITS FROM CUSTOMERS/STUDENTS

| Description               | 2019-2020         | 2018-2019 |
|---------------------------|-------------------|-----------|
|                           | KShs              | KShs      |
| Consumer deposits         | -                 | -         |
| Caution money             | 321,000.00        | -         |
| Other refundable deposits | -                 | -         |
| <b>Total deposits</b>     | <b>321,000.00</b> | <b>-</b>  |

## 25. CURRENT PROVISIONS

| Description                                     | 2019-2020           | 2018-2019            |
|---|---------------------|----------------------|
|   | KShs                | KShs                 |
| Balance at the beginning of the year            | 34,726,606.00       | -                    |
| Additional Provisions- provision for audit fees | 1,324,875.00        | 1,324,875.00         |
| Provision utilised                              |                     |                      |
| Change due to discount and time value for money |                     |                      |
| Transfers from non -current provisions          |                     |                      |
| Provision for depreciation                      | (27,314,659.00)     | 27,314,659.00        |
| Provision for bad and doubtful debts            | (6,087,072.00)      | 6,087,072.00         |
|   |                     |                      |
| <b>Total provisions</b>                         | <b>2,649,750.00</b> | <b>34,726,606.00</b> |

Provision for bad debts and depreciation were erroneously included in the prior year and opening balances now adjusted.

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## 26.DEFERRED INCOME

| Description                        | 2019-2020     | 2018-2019     |
|------------------------------------|---------------|---------------|
|                                    | KShs          | KShs          |
| National government                | 19,503,351.00 | 73,417,426.00 |
| International funders              |               |               |
| Public contributions and donations |               |               |
| Total deferred income              | 19,503,351.00 | 73,417,426.00 |

## 27 PAYMENTS RECEIVED IN ADVANCE

| Description    | 2019-2020     | 2018-2019 |
|----------------|---------------|-----------|
|                | KShs          | KShs      |
| Pre-Payments   | 11,223,644.00 |           |
| NYS prepayment | 29,179,800.00 |           |
|                |               |           |
| Total deposits | 40,403,444.00 | -         |



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## APPENDIX 1: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|---------------------|--|-----------------------------------|--|
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |
|  |                                   |                     |  |                                   |  |

### Guidance Notes:

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

(ii) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management;

(iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;

(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

Director General/C.E.O/M.D (enter title of head of entity)  
Chairman of the Board

Date.....

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## APPENDIX II: PROJECTS IMPLEMENTED BY THE ENTITY

Projects

Projects  
implemented by  
the State  
Corporation/ SAGA  
Funded by  
development  
partners

| Project<br>title | Project<br>Number | Donor | Period/<br>duration | Donor<br>commitment | Separate donor<br>reporting<br>required as per<br>the donor<br>agreement<br>(Yes/No) | Consolidated in these fina<br>statements<br>(Yes/No) |
|------------------|-------------------|-------|---------------------|---------------------|--|--|
| 1                |                   |       |                     |                     |  |  |
| 2                |                   |       |                     |                     |  |  |



# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## *Status of Projects completion*

|   | Project         | Total project Cost | Total expended to date | Completion % to date | Budget     | Actual     | Sources of funds |
|---|-----------------|--------------------|------------------------|----------------------|------------|------------|------------------|
| 1 | Ugunja TTI      | 53,914,075         | 53,914,075             | 100%                 | 53,914,075 | 53,914,075 | GOK              |
| 2 | Applied Science | 27,423,618         | 22,703,520.80          | 95%                  | 27,423,618 |            | GOK              |
| 3 |                 |                    |                        |                      |            |            |                  |

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

## APPENDIX III: INTER-ENTITY TRANSFERS

|    |  |                            |                      |  |
|----|--|----------------------------|----------------------|--|
|    | ENTITY NAME:   |                            |                      |  |
|    | Break down of Transfers from the State Department of Education |                            |                      |  |
|    | FY   |                            |                      |  |
| a. | Recurrent Grants   |                            |                      |  |
|    |  | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
|    |  | Total                      |                      |  |
| b. | Development Grants   |                            |                      |  |
|    |  | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
|    |  | Total                      |                      |  |
| c. | Direct Payments  |                            |                      |  |
|    |  | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |
|    |  | 5/7/2019                   | 4,668,797            | 2019-2020  |
|    |  | 15/7/2019                  | 8,250,000            | 2019-2020  |
|    |  | 30/10/2019                 | 2,595,000            | 2019-2020  |
|    |  | 10/6/2020                  | 13,980,000           | 2019-2020  |
|    |  | Total                      | 29,493,797.00        |  |
| d. | Donor Receipts   |                            |                      |  |
|    |  | <u>Bank Statement Date</u> | <u>Amount (KShs)</u> | <u>Indicate the FY to which the amounts relate</u> |

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

Finance Manager

Sign. 

Head of Accounting Unit

Sign. 

# BONDO TECHNICAL TRAINING INSTITUTE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2020

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## 23 EVENTS AFTER THE REPORTING PERIOD

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

## 24 ULTIMATE AND HOLDING ENTITY

The entity is a state corporation /or a Semi-autonomous Government Agency under the Ministry of Education. Its ultimate parent is the Government of Kenya.

## 25 Currency

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